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of Transportation

**Urban Mass
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The Milwaukee County User-Side Subsidy Program: A Case Study

**Final Report
September 1982**

UMTA/TSC Project Evaluation Series
Service and Management Demonstrations Program

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16. Abstract

Milwaukee County, Wisconsin, instituted a user-side subsidy program in June 1978 for handicapped users of taxi and chair-car services. The program is funded entirely by county and state contributions. A distinctive feature of the program is that, unlike other user-side subsidy programs that serve both the elderly and the handicapped, Milwaukee County's program serves only handicapped persons. The program limits eligibility to persons requiring the use of a wheelchair, those using a walker or crutches, and the legally blind.

The program provides door-to-door transportation for eligible persons using the services of private taxi and chair-car companies. Participants pay the first $1.50 cost of a trip. The program subsidizes the remaining cost, up to a maximum of $9.50 per trip depending upon handicap classification.

The program has devised simple administrative procedures for subsidy distribution and has spent approximately 12 percent of the 1980 budget of $1 million on administrative activities. The county's paratransit industry has expanded since the institution of the program and providers appear to be competing actively for program ridership. Enrollment in the program by the eligible population is high, with wheelchair users making the majority of program trips. The program offers a high level of service to the county's most severely handicapped residents, and Milwaukee County's experience should help others anticipate and meet the demand of handicapped persons for low-cost, accessible service.

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PREFACE

This case study was prepared by Charles River Associates Incorporated (CRA) for the Transportation Systems Center (TSC) of the U.S. Department of Transportation. It is part of the Service and Management Demonstration (SMD) Program, sponsored by the Urban Mass Transportation Administration (UMTA). Within CRA, Mary E. Lovely prepared this report under the supervision of Daniel Brand, CRA's Officer-in-Charge of work conducted for the SMD program. Bruce D. Spear of TSC served as technical advisor and monitor and Larry Bruno was the UMTA project manager.

Although CRA accepts full responsibility for the information and conclusions in this case study, many people contributed to it. Thomas Knight and Kathy Angeli of the Milwaukee County User-Side Subsidy Program provided invaluable information and assistance. Other people who provided information for this study are John Doherty of T.H.E. Consultants, Mary Smarelli of Meda-Care Vans, Inc., Tom Higgins and John Bitenz of Care Cabs, Inc., Joe Sanfillipo and Bill Kuenzi of City Veteran Taxicab Corp., Harout Sanasarian of the Milwaukee County Board of Supervisors, and Gerald Schwerm of the Milwaukee County Department of Public Works.

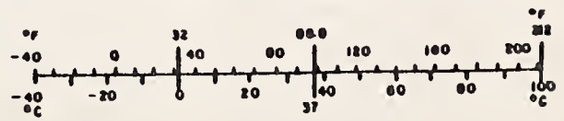
METRIC CONVERSION FACTORS

Approximate Conversions to Metric Measures

Symbol	When You Know	Multiply by	To Find	Symbol
	LENGTH			
in	inches	2.5	centimeters	cm
ft	feet	30	centimeters	cm
yd	yards	0.9	meters	m
mi	miles	1.6	kilometers	km
	AREA			
in^2	square inches	6.5	square centimeters	cm^2
ft^2	square feet	0.09	square meters	m^2
yd^2	square yards	0.8	square meters	m^2
mi^2	square miles	2.6	square kilometers	km^2
	acres	0.4	hectares	ha
	MASS (weight)			
oz	ounces	28	grams	g
lb	pounds	0.45	kilograms	kg
	short tons (2000 lb)	0.9	tonnes	t
	VOLUME			
tsp	teaspoons	5	milliliters	ml
Tbsp	tablespoons	15	milliliters	ml
fl oz	fluid ounces	30	milliliters	ml
c	cups	0.24	liters	l
pt	pints	0.47	liters	l
qt	quarts	0.95	liters	l
gal	gallons	3.8	liters	l
ft^3	cubic feet	0.03	cubic meters	m^3
yd^3	cubic yards	0.76	cubic meters	m^3
	TEMPERATURE (exact)			
°F	Fahrenheit temperature	5/9 (after subtracting 32)	Celsius temperature	°C

Approximate Conversions from Metric Measures

Symbol	When You Know	Multiply by	To Find	Symbol
	LENGTH			
mm	millimeters	0.04	inches	in
cm	centimeters	0.4	inches	in
m	meters	3.3	feet	ft
m	meters	1.1	yards	yd
km	kilometers	0.6	miles	mi
	AREA			
cm^2	square centimeters	0.16	square inches	in^2
m^2	square meters	1.2	square yards	yd^2
km^2	square kilometers	0.4	square miles	mi^2
ha	hectares (10,000 m^2)	2.5	acres	
	MASS (weight)			
g	grams	0.035	ounces	oz
kg	kilograms	2.2	pounds	lb
t	tonnes (1000 kg)	1.1	short tons	
	VOLUME			
ml	milliliters	0.03	fluid ounces	fl oz
l	liters	2.1	pints	pt
l	liters	1.06	quarts	qt
l	liters	0.26	gallons	gal
m^3	cubic meters	35	cubic feet	ft^3
m^3	cubic meters	1.3	cubic yards	yd^3
	TEMPERATURE (exact)			
°C	Celsius temperature	9/5 (then add 32)	Fahrenheit temperature	°F



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EXECUTIVE SUMMARY

The Milwaukee County User-Side Subsidy Program provides transportation subsidies for handicapped users of taxi and chair-car companies. The county instituted the program in June 1978 and administers it through the Department of Public Works. The program is permanent and ongoing and receives no Federal assistance.

The program provides accessible transportation to eligible persons using existing private paratransit providers. Participants pay the first $1.50 cost of a trip. The program subsidizes the remaining cost of a trip, up to a maximum of $9.50 for wheelchair users and $6.50 for others.

A distinctive feature of the program is that, unlike other user-side subsidy programs that serve both the elderly and the handicapped, Milwaukee County's program serves only handicapped persons. The program is available to four groups - those persons confined to a wheelchair, those who require a walker, those who require crutches, and the legally blind.

Milwaukee County instituted the user-side subsidy program when state funds became available for locally-administered transportation assistance to the handicapped. Originally, the state provided 90 percent of program funding, but as the program has grown, the county has contributed an increasing share. In 1980, the county provided $611,809 for the program, 62 percent of total program costs.

ADMINISTRATIVE PROCEDURES AND COST

The county designed the program to be administratively simple. Participants generally register through the mail and certification by a doctor or a social service agency establishes program eligibility. Procedures for contracting with providers are also simple. The program sets no service requirements on providers, relying on the requirements set by the state's Title XIX program in which most chair-car carriers participate. The program involves only a minimum of paperwork for carriers as trip vouchers are used directly for carrier reimbursement. As a result of simple administrative procedures, administrative costs constitute approximately 12 percent of the program budget. Furthermore, the carriers do not feel unreasonably burdened by program bookkeeping.

The program's simple design also exposes it to the possibility of unnecessary expenditures. Registrants are not given photo identification cards, allowing for possible fraudulent use. A more serious problem, however, is that the program has no administrative mechanism for ensuring that trips eligible for funding under other transportation assistance programs (i.e., Title XIX,

Title XX, and Title III) are not paid for by the user-side subsidy program. The county recognizes this problem and is studying the cost and feasibility of some type of coordination or brokerage mechanism.

EFFECTS ON THE PARATRANSIT INDUSTRY

The user-side subsidy program contracts with three chair-car companies and five taxi companies for their receipt of program vouchers. Controlling over $110,000 worth of total trip revenue per month by mid-1981, the program accounts for approximately one-third or more of participating chair-car company revenues and one-quarter of participating taxi company revenues. Of the total number of trips sponsored by the program, chair-car companies serve about 45 percent and taxi companies serve about 55 percent. Because chair-car rates are higher than taxi rates, however, chair-car companies receive 57 percent of total program billings, while taxi companies receive 43 percent. The program pays an average subsidy of $4.81 for a taxi trip and $8.74 for a chair-car trip.

A provider can become a user-side subsidy program carrier if it is appropriately licensed by the City of Milwaukee's Common Council, which regulates the paratransit industry. The program has not rejected the application of any licensed provider to become an affiliated carrier. At the present time, all chair-car companies and all major taxi companies in the county participate in the program. Only three, very small taxi companies do not participate.

Taxi companies have become an important part of the user-side subsidy program's provider network. Taxis provide low-cost, immediately available service to program participants. Because taxi companies have joined the network, the program is able to provide, with the same budget, about one-third more trips than it would be able to using chair-car companies only.

Taxi companies benefit substantially from the user-side subsidy program. In 1981, the program provided over $45,000 in revenues to taxi companies each month. For those companies participating, user-side subsidy trips are a significant portion of their business. Moreover, user-side subsidy customers represent a relatively stable market in an industry plagued by deep seasonal shifts in demand.

Taxi companies have adjusted to the demands placed upon their operations by participation in the user-side subsidy program. They have hired additional personnel to check and account for user-side subsidy vouchers. More relevant from the user's perspective, the companies have recognized the new importance of handicapped persons in the market for taxi service. Participating companies have improved the service they provide to persons confined to wheelchairs primarily because of the $3.00 surcharge allowed by the user-side subsidy program. Drivers interviewed for this case study indicated their willingness to aid persons in wheelchairs because of the surcharge.

The chair-car industry seems to be the provider type that has been most affected by the user-side subsidy program. Chair-car companies are very dependent upon government transportation assistance programs, many of which use fixed-bid contracts. The user-side subsidy program has allowed the industry to reduce the extent of its reliance on previous funding sources.

With the user-side subsidy program, the industry has expanded. In 1981, the program provided over $63,000 in revenue to the chair-car industry each month, a significant increase in industry revenues. Prior to the program, only one carrier remained in stable operation. Now there are three. While carriers that have initiated operations since the program began indicate that they would have entered the industry in any case, it is not clear if all three carriers would be able to maintain operations without the program.

The owners of the county's largest chair-car company, drawing on their experiences in Minneapolis and Florida where assistance is provided through supply-side subsidies, state that Milwaukee County's program, unlike other programs, fuels competition in the industry because participants may call any carrier they want. All carriers agree that the form of the county's subsidy program -- allowing users to choose a carrier -- fuels competition for customers. The result of an expanded industry and increased competition is evident in longer hours of operation by chair-car companies and greater flexibility in providing service. Carriers attempt to differentiate their services in some way, hoping to retain passengers as regular users.

The user-side subsidy program has had some effect on all four types of providers serving handicapped persons in Milwaukee County. For the Milwaukee County Transit System (MCTS) and social service agencies, the program has affected a relatively small portion of their operations. As a result of the user-side subsidy program, MCTS has been freed from the responsibility of providing accessible bus service. Because user-side subsidies have become so popular and serve so many people, those handicapped individuals whose original lawsuit forced the county in 1976 to purchase accessible buses have agreed to allow the lift equipment at issue to become permanently inoperative. The county, in exchange, has agreed to fund user-side subsidies by an amount equal to 2.2 percent of the MCTS operating budget.

Social service agencies have not benefited directly from the user-side subsidy program, although many of their clients have. The agencies may be able to transfer some of their transportation costs to the program because no system for screening user-subsidy trips exists. The county, however, relies upon the agencies not to engage in this type of behavior, and no evidence exists that they do transfer their costs.

PARTICIPATION BY THE HANDICAPPED

The Southeast Wisconsin Regional Planning Commission (SEWRPC) estimates that there are 34,800 transportation-handicapped persons residing in private households in Milwaukee County. The potential market for special transportation services can be considered to include those chronically and acutely disabled handicapped persons living in private households who cannot use public transit, with the exception of those individuals confined to their home. By this measure, 27,600 handicapped persons in Milwaukee County may require special transportation services. Considering program eligibility criteria, an estimated 12,018 county residents may be eligible for the user-side subsidy program.

The need of Milwaukee County's handicapped residents for transportation assistance appears to have been substantial prior to the user-side subsidy program. While SEWRPC's estimates indicate that some handicapped persons in Milwaukee County are able to drive cars, the great majority of transportation-handicapped persons do not. Furthermore, many handicapped persons are not physically able to ride in an automobile. Of those who are, the majority have no auto available to them when they wish to travel. Less than half of the handicapped believed in 1977 that special services were available to them, and with 65 percent of the handicapped termed "economically disadvantaged," it is unlikely that many could afford the cost of unsubsidized special services.

By the end of December 1980, 7,045 persons had registered for user-side subsidy identification cards. Dividing this number into the estimated number of eligible persons results in a "participation rate" of 59 percent by the eligible population. Of the total registrants, approximately 68 percent were persons confined to wheelchairs, 10 percent used walkers, 6 percent required the use of crutches, and 16 percent were legally blind.

Enrolling in the user-side subsidy program is a simple process, one that requires a minimum amount of effort by the registrant. Because all forms can be completed at home and no visit to either a doctor or other eligibility-testing site is required, the enrollment process is not considered a barrier to registration.

During 1979 and 1980, trips taken under the sponsorship of the user-side subsidy program grew faster than enrollment. This growth in trips is the result of some individual registrants making more trips each month over time, probably because they have become accustomed to the service and to trip-taking procedures. As of late 1980 and early 1981, the program subsidized approximately 14,000 trips monthly.

In 1979, the program provided $462,521 in subsidies. In 1980, subsidies grew 103 percent to $940,976. Persons confined to wheelchairs received over 65 percent of the subsidy in both years. This group received a larger percentage of subsidy funds than their percentage of total trips due to higher per-trip subsidies for nonambulatory participants. In both 1979 and 1980, the average total cost per trip was essentially the same -- $8.12 and $8.14, respectively. Of the total, the average program subsidy per trip was $6.81 in 1979 and $6.88 in 1980. Users paid an average of $1.31 per trip in 1979 and $1.26 per trip in 1980. (Minimum user costs were increased to $1.50 per trip in January 1981.)

Usage rates, defined as the average percentage of total registrants who use the program in any month, vary among user groups. Those registered persons who require the use of crutches and those who are legally blind use the program most often. In these groups, on average 42 percent of those who enroll in the program actually use it to travel. Among those who require a walker, 30 percent of those enrolled use the program in an average month. Among those who require a wheelchair, only 25 percent of those enrolled use the program.

Those persons who require crutches make the greatest number of trips per person -- 8.1 trips per user per month. Persons who require a wheelchair and those who are legally blind make 6.8 trips per person, and those who require a walker make significantly fewer -- 5.1 trips per person.

Program participants are eligible for hardship reimbursements if they pay more than $10.00 in excess of the maximum limits for medical, employment, and/or educational trips in a two-week period. Use of hardship reimbursements has been very limited, and only $10,795 has been reimbursed to participants in the 17-month period between August 1978 and December 1980.

CONCEPT FEASIBILITY AND TRANSFERABILITY

The Milwaukee User-Side Subsidy Program offers substantial benefits to the transportation-handicapped through its dramatic reduction in the per-trip cost of travel and its stimulation of a competitive environment among transportation providers. The program has reached a large percentage of the potential market for the service among those groups who are eligible. Response to the program has been particularly strong among those persons confined to wheelchairs, although many registrants do not use the program actively. The program is used for all trip purposes, with medical trips constituting the largest category, although far from the majority, of trips. Maximum subsidy limits instituted by the county in mid-1979 appear to have been set high enough so as not to affect average tripmaking under the program.

The county's decision to limit eligibility to a few categories of disabilities as defined by the use of specific aids was an attempt to control

the growth of the program until the demand for transportation subsidies could be assessed. After two years of experience with user subsidies, the county is now in a position to reconsider its earlier decision and to explore the needs of other transportation-handicapped persons. Serving these other groups will present a more complex challenge than serving currently eligible groups, particularly because determining eligibility may require more complicated and costly procedures.

The user-side subsidy program can be said to have met its own goal of providing transportation service to those confined to wheelchairs, those who require a walker or crutches, and those who are legally blind. Until the needs of remaining groups are addressed, however, the program does not completely meet the goals of the state's 85.08 (5) funding program, which is intended to afford "the benefits of transportation to the elderly and handicapped who would not otherwise have an available or accessible mode of transportation." The next step for the county is to assess the costs of meeting this more broadly-defined goal.

Many transportation researchers believe that user-side subsidies have a number of advantages when compared to provider-side subsidies. Because user-side subsidy programs retain the right of a consumer to choose a provider, these researchers believe user subsidies stimulate competition among providers, thereby improving service quality. Another advantage is that they can be targeted to specific individuals, thus minimizing the amount of funds given to those for whom no assistance is intended. While these advantages, if realized, can be significant, researchers point out that user-side subsidies may be costly to administer. Identifying and certifying eligible individuals may consume considerable administrative resources.

Milwaukee County's User-Side Subsidy Program does appear to have stimulated competition among paratransit providers, particularly chair-car providers. Carriers are aware of program participants' ability to "shop around" and they attempt to differentiate their services from those of other providers. While new paratransit companies may have appeared under any type of assistance program simply as the result of the tremendous growth in industry revenues created by the program, it is unlikely that other forms of assistance would have fostered service improvements such as longer operating hours, stopping en route, and customer evaluations. Furthermore, chair-car carriers hold their fares at the maximum subsidy level (even for long-distance trips, for which they may currently charge a higher fare), and this indicates a type of competition not present under a provider-side program, in which deficits usually are guaranteed to be made up by the subsidizing agency.

The user-side subsidy concept allows subsidies to be targeted to specific groups. Milwaukee County's program targets its assistance on the basis of specific eligibility criteria. The program minimizes the amount of assistance funneled to other groups by requiring registrants' disabilities to be verified by a doctor or social service agency. While this process is open to fraud, it does provide a mechanism for limiting access to assistance.

Another feature of the Milwaukee County User-Side Subsidy Program that limits access to program benefits involves the program's relationship with carriers. Under the program, carriers compete with each other partly on the basis of fares. If one company raises its fare schedule, other companies may follow or may instead use the opportunity to gain a larger market share. When providers are subsidized directly, this type of competition is not present and there is little incentive for the provider to control costs and, hence, fares.

In sum, the user-side subsidy concept as implemented by Milwaukee County appears to have realized handsomely the advantages often claimed for this form of assistance. Competition has stimulated improved service. Aid to unintended recipients is minimized. Administrative costs constitute a small portion of the program budget. The possibility of higher administrative costs, noted above, does not cloud the program's success. Presumably, the combined benefits of improved target efficiency and/or coverage would outweigh the cost of additional administrative activity.

In conclusion, Milwaukee County's experience in providing user-side subsidies to transportation-handicapped citizens appears to be highly successful, as measured by the program's achievement of the goals set for it. The program serves as a valuable case study for other localities on the results of instituting various administrative mechanisms and procedures. It also illustrates important considerations about supply conditions and program growth. Milwaukee County's experience, therefore, should help others anticipate and meet the demand of handicapped residents for low-cost, accessible service.

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INTRODUCTION

This is a case study report on the Milwaukee County User-Side Subsidy Program. This program was instituted by Milwaukee County, Wisconsin, in June 1978 for handicapped users of taxi and chair-car companies. The program is permanent and ongoing, and is funded entirely by county and state contributions. A distinctive feature of the program is that, unlike other user-side subsidy programs that serve both the elderly and the handicapped, Milwaukee County's program serves only handicapped persons.

The program is administered by the Milwaukee County Department of Public Works (DPW). It provides door-to-door transportation for eligible persons utilizing existing taxi and chair-car companies. Participants pay the first $1.50 cost of a trip. The remaining cost of a trip, up to a maximum of $9.50 per trip depending upon handicap classification, is completely subsidized.

This case study provides a description and assessment of the user-side subsidy program and its impacts. The first section describes the characteristics of Milwaukee County and its population. It also documents the development of the program and its three-year history. The second section presents the program's administrative procedures and costs. The third section discusses the system of paratransit carriers existing prior to the program, and the response of these and new carriers to market changes brought about by the availability of new transportation assistance funds. The fourth section describes the characteristics of Milwaukee County's transportation-handicapped population, as well as its response to and usage of the subsidy program. The final section assesses the success of the program in meeting the goals set for it by various groups, and the transferability of these results to other localities.

User-side subsidy programs are often considered superior to supply-side subsidies because they preserve the right of individual choice while providing incentives to suppliers to improve service. This type of subsidy is argued to result in more efficient production service than awarding provider-side subsidies to one or a limited number of suppliers, which tends to decrease competition in the marketplace. Also, because user-side subsidies are awarded to specific users directly and only for service received, they are highly efficient in targeting aid solely to eligible persons for defined types of service needs.

User-side subsidy programs, however, can have higher administrative costs than supply-side programs. User subsidies are distributed on the basis of service received by many individuals rather than on the basis of service produced by one or more suppliers. User-side programs, therefore, entail identifying and certifying eligible persons and accounting for their use of eligible services. The administrative costs of this process also include providing lump-sum reimbursements to providers that accept subsidy vouchers.

The Service and Methods Demonstration (SMD) Program selected the Milwaukee County User-Side Subsidy Program as the subject of an SMD case study because of the program's unique features. First, the program provides user subsidies without imposing a limit on the number or type of trips that can be taken. The program limits only the subsidy per trip. In contrast, many user-side subsidy programs place monthly limits on the amount of subsidy each participant receives.*

Second, the Milwaukee County program serves only a very limited target group -- persons confined to wheelchairs, persons using a walker or crutches, and those who are blind. With the notable exception of the user-side subsidy program administered in Pittsburgh, Pennsylvania, most user-side subsidy programs serve both the handicapped and the elderly. As only a small percentage of the elderly and handicapped require special services, these programs experience low participation rates. With a potentially large number of eligible people, however, these programs have generally instituted monthly purchase limits, as discussed above, to restrain the total possible subsidy liability. Milwaukee County is of interest because it has developed an alternative to this model of broad eligibility and limited monthly subsidy.

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*Examples of localities where the user-side subsidy programs have monthly purchase limits are Danville, Illinois; Montgomery, Alabama; Kinston, North Carolina; Lawrence, Massachusetts; Kansas City, Missouri; and Los Angeles, California. See Bruce D. Spear, User-Side Subsidies: Delivering Special Needs Transportation Through Private Providers, Transportation Systems Center, June 1981.

Third, Milwaukee County's User-Side Subsidy Program tests the user-side concept on a large scale. The program serves the entire county, which covers 237 square miles and contains almost one million people. Thus, the program cannot successfully use either jurisdictional boundaries or residency as devices for restricting the amount of program subsidies. Instead, the county has developed other methods of restraining the amount of subsidy provided and these methods are worth studying for potential application in other large cities.

Finally, the Milwaukee County User-Side Subsidy Program is of interest because the county allows free entry of taxi and chair-car providers into the program. As a result, seven carriers currently are able to accept program vouchers. This case study of the Milwaukee program attempts to evaluate the effect that free entry into the subsidy program has had on the county's paratransit industry and on the level of service it provides. As increased competition among providers is one benefit often believed to result from user-side rather than provider-side subsidies, this examination of Milwaukee County's paratransit industry provides additional evidence about the relative merit of the user-side concept.

The remainder of this first section describes the Milwaukee County area and its residents, and records the history of the user-side subsidy program's development.

MILWAUKEE COUNTY: ITS POPULATION, ECONOMIC BASE AND WEATHER CONDITIONS

Milwaukee County is located near the southeast corner of Wisconsin. The county is part of the largest metropolitan area in the state and contains the city of Milwaukee, which, according to the 1980 Census, is the 23rd largest city in the United States. The county had a 1970 population of 1,054,249 persons, an increase of 1.8 percent over 1960.* By 1980, the county's population had declined to 964,988 persons, an 8.5 percent decrease since 1970.**

The total number of transportation-handicapped persons in the county was estimated in 1977 to be 46,147 persons, or almost 5 percent of the total

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*All 1970 data are from U.S. Bureau of the Census, County and City Data Book, 1977.

**All 1980 data are from U.S. Bureau of the Census, preliminary results.

population.* (Section 4 contains a detailed discussion of the characteristics of this group.) Milwaukee County has an age distribution similar to that of the rest of Wisconsin. The median age of county residents in 1975 was 29.1 years, compared to 27.4 years for the state.** In 1970, 10.6 percent of county residents were over 65 years of age, and by 1975, 11.5 percent were over 65. This trend has been noted by local planners, and references have been made in local planning literature to the "graying of Milwaukee." However, in the state as a whole, the percentage of elderly residents has increased by the same magnitude. The total number of elderly persons in the county is estimated to be 92,600, or about 9 percent of all county residents.

In contrast to much of Wisconsin, the Census Bureau considers Milwaukee County to be 100 percent urbanized. As might be expected given its economic role in the state, the county's residents have the highest per capita income in Wisconsin ($5,125 in 1974). Reflecting its urban diversity, however, the county contains 38 percent of all families in the state receiving public assistance to families with dependent children.

The county covers 237 square miles. It is by far the most densely settled area in Wisconsin, with 4,448 persons per square mile, compared to 81 persons per square mile for the state as a whole. Table 1-1 provides a list of these and other demographic characteristics for Milwaukee County.

As in most American urban areas, Milwaukee County residents depend greatly on the automobile for transportation. In 1975, over 78 percent of households in the county owned one or more automobiles. Only 15.4 percent of county workers use public transit to travel to work, despite an extensive bus network. Milwaukee County is served by the Milwaukee County Transit System (MCTS), which is county-owned. In 1980, the system covered most of the county with 62 bus routes. MCTS instituted a base fare of $0.65 as of January 1981, and served 290,700 passengers on an average weekday in 1981.

Milwaukee County is the wholesale and retail trade center of Wisconsin and upper Michigan. The manufacturing sector is the largest in the local economy, employing 35.4 percent of the working labor force. Milwaukee is the largest U.S. producer of diesel and gasoline engines, outboard motors, motorcycles, and beer. It is the fourth largest U.S. automaking center. Milwaukee's St. Lawrence Seaway port is used by 30 U.S. and foreign-flag ship lines, and handles nearly 3.6 million tons of cargo annually.

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* Southeast Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeastern Wicsonsin: 1978-1982, April 1978.

**All 1975 data are from U.S. Bureau of the Census, County and City Data Book, 1977.

TABLE 1-1. CHARACTERISTICS OF MILWAUKEE COUNTY: 1970

Characteristics	
Population	1,054,063
Area (square miles)	237
Population Density (persons per square mile)	4,448
Median Age of Population	29.1
Age Distribution	
(percent below 18)	33.6
(percent 65 and above)	10.6
Median Years of Schooling	12.1
Total Number of Households	338,605
Average Number of Persons per Household Unit	3.1
Median Family Income	$10,974
Income Distribution	
(percent below $5,000)	13.5
(percent above $15,000)	24.0
Number of Persons in Labor Force	62,641
Percent of Households with One or More Autos	78.7
Percent Workers Using Public Transit for Work Trip	15.4

SOURCE: Bureau of the Census, County and City Data Book, 1972.

Topographically, Milwaukee is similar to much of the nation's Midwest and is basically flat. Its climate is influenced by Lake Michigan, especially when the temperature of the lake water differs greatly from the air temperature. The average January temperature is 20.9°F, and the average July temperature is 70.7°F. Winters are long and often severe in Milwaukee County. The average annual snowfall is about 46 inches. Large high-pressure systems moving southeastward from Canada have a pronounced effect on the Milwaukee climate, and two or three days seldom pass without a distinct change in the weather, particularly during the winter and spring months. Thunderstorms occur less frequently and with less severity than in other areas to the south and west. The average annual precipitation is 30 inches.

DEVELOPMENT OF THE USER-SIDE SUBSIDY PROGRAM

In 1975, Milwaukee County acquired the Milwaukee and Suburban Transport Company, a privately owned bus company. The county purchased only the company's capital equipment. The resulting entity, the Milwaukee County Transit System (MCTS) remained in operation with essentially the same operating and management personnel through a county contract with the successor, private, non-profit operator, Milwaukee Transport Services, Inc. Consequently, the operator's employees are not county civil servants. Policymaking for the system rests with the Mass Transit Committee, which is composed of county supervisors. Prior to 1979, policymaking rested with the Milwaukee County Transit Board, a group of three elected and three appointed officials. Due to a court ruling concerning its membership structure, the Board is now defunct.

On December 2, 1975, three handicapped individuals brought a lawsuit against the County Transit Board, the Urban Mass Transportation Administration (UMTA) Administrator, and the U.S. Department of Transportation Secretary in connection with Milwaukee County's first solicitation of bids for new buses. The suit alleged that the defendants had violated Section 16(a) of the Urban Mass Transportation Act, Section 504 of the Rehabilitation Act of 1973, and Section 315 of the DOT Appropriations Act of 1975, as well as the due process and equal protection clauses of the U.S. Constitution.* The alleged violations centered on procuring and operating transit buses not accessible to persons who ambulate by wheelchair. The plaintiffs sought preliminary and permanent injunctions restraining MCTB from accepting bids on, and UMTA from funding, the purchase of 100 new buses unless they were proven accessible. On December 24, 1975, the court entered a preliminary injunction restraining the MCTB from taking any bids for the buses. After further negotiations by the parties involved, MCTB agreed to solicit bids for accessible buses, 100 of which the county received in August 1979. The injunction did not prevent the county from designing alternative services for the handicapped.

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*Bartels, et al. v. Francis F. Biernat, et al., Civil No. 75-C-704.

Besides purchasing accessible buses, MCTS made several other changes in its service to handicapped persons. In September 1976, it initiated a procedure for issuing picture identification cards to handicapped persons. This procedure constituted an expansion of the half-fare program to satisfy UMTA's definition of "elderly and handicapped."* At the same time, a policy decision by the Milwaukee County Transit Board allowed a person accompanying and assisting a handicapped bus rider to travel free of charge. A year later, the Board decided that no elderly or handicapped person would be required to pay transit system zone fares at any time. In addition to these decisions, MCTS has implemented changes on all buses ordered after September 1979. New buses have special grab rails on the entrance doors and priority seating signs located over the front seats.**

However, while the county's decisions made it easier for some handicapped and elderly persons to use public transit, a large group of people remained without accessible service. Using data gathered in the National Health Survey of 1972, the Southeast Wisconsin Regional Planning Commission estimated in 1978 that of the 46,147 transportation-handicapped individuals in Milwaukee County, only 51 percent were able to use fixed-route transit, and then only with difficulty. Thus, an estimated 22,612 persons in the county at that time had no public transportation services available to them, despite the fare and equipment modifications.

In 1978, the State of Wisconsin initiated the Wisconsin Elderly and Handicapped Transportation Assistance Program for Counties (Section 85.08 (5) of the Wisconsin Statutes). The purpose of the program is to provide funds to "improve and promote the maintenance of human dignity and self-sufficiency by affording the benefits of transportation to the elderly and handicapped who would not otherwise have an available or accessible mode of transportation." The program provides grants to counties that apply for transportation aid for their elderly and handicapped residents. When the program became available, Milwaukee County formed an ad hoc committee to decide how to spend the money for which it had become eligible.

The committee had no difficulty in deciding how to serve the elderly, as the county already had a program, entitled "Elder Care," which provided transportation services for people 60 years and over through the subsidization of a non-profit operator. The county's Office on Aging administers the program. Before Section 85.08 (5) funds were available, funds from Title III of the Older Americans Act, Title XX of the Social Security Act, and the county supported Elder Care. Funds from Section 85.08 (5) provided for an expansion of the Elder Care program, with the county contributing 10 percent in matching funds.

The committee focused primarily on the needs of the handicapped community. It had a general desire to keep any program established as simple as

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*Southeast Wisconsin Regional Planning Commission, op. cit., p. 234.

**Idem.

possible. It considered a user-side subsidy program to be an administratively simple yet effective way of providing special services. Several chair-car and taxi companies in the county were already providing services to some handicapped residents through Federally funded assistance programs. The committee viewed user-side subsidies as a method of expanding these service options for the handicapped. User-side subsidies also required no capital commitment by the county, and thus made sense from a number of perspectives: existing resources could be more fully utilized, the total amount of funds could be spent immediately on providing trips, and finally, the county would not be left with a large capital investment if state funding were not continued.

To keep the administration of the user-side subsidy program simple, the committee designed certification procedures so that the applicant's physician or social service agency would perform the necessary screening functions. This arrangement required only a minimum of funds for verifying program eligibility. The committee, at one time, entertained the notion of using income limits or guidelines to determine eligibility and subsidy levels. However, some members of the handicapped community maintained that the user-side subsidy should come as close as possible to providing service similar to that provided by fixed-route buses. Therefore, they opposed designating income guidelines or a maximum number of subsidized trips per person. They also rejected income guidelines to keep administrative costs at a minimum.

The committee and the county proceeded cautiously by opening the program to only one category of user -- those persons confined to wheelchairs. The committee had no way to predict the response to the program and, thus, no way to predict program expenditures. Limiting enrollment to persons confined to wheelchairs would allow the program to proceed slowly and would ensure the availability of sufficient funds to meet the demand for subsidies.

At no time was Federal funding for the program sought by the county. MCTS had already committed its portion of UMTA's Section 5 operating assistance to MCTS bus operations. Other Federal programs, such as demonstration grants, must be applied for and take time to obtain; the county did not consider them as possible funding sources.

Essentially, the situation Milwaukee County faced was very different from that faced by many other localities planning special transportation services. Often, the principal problem for local governments planning special services is funding, and, therefore, Federal assistance is sought. For Milwaukee County, however, funds for a special transportation service were available through the state. Although the county and the Regional Planning Commission had undertaken planning for special services, the state program provided them with an immediate opportunity to consolidate their plans and begin implementation.

The county initiated the user-side subsidy program in June 1978, with MCTS staff administering it. Initially, as noted above, the county limited the program to persons confined to wheelchairs and set no maximum subsidy limits. The program required users to pay $1.00 for each trip out of their own pockets. As the end of 1978 approached, however, the committee realized that the program was depleting the available state and county funds at too slow a rate to be exhausted by year's end. Therefore, the committee decided to extend eligibility to those persons requiring use of a walker or crutches. Advocates for the blind community appealed to the Transit Board, which at that time set MCTS policy, to be included in the program also. As a result, the county expanded program eligibility in November 1978 to include persons who require a wheelchair, a walker, or crutches, or who are legally blind.

With expanded enrollment, the number of trips subsidized by the user-side subsidy program grew rapidly. By June 1979, it was apparent that a supplemental appropriation by the county would be necessary to meet the growing demand for subsidy funds. Thus, in 1979 the county contributed more than the 10 percent matching share it had provided to the program in 1978. In fact, the county contributed $294,469 in 1979, over 60 percent of program costs, compared to $166,599 contributed in that year by the state's 85.08 (5) program.

In June 1979, the county also established maximum subsidy limits on each one-way trip. It set a maximum subsidy of $10.00 for each trip taken by an individual confined to a wheelchair, and set a $7.00 ceiling for trips taken by other eligible persons. The $3.00 differential between subsidies for wheelchair users and others reflects two factors. First, the county had granted taxi companies a $3.00 surcharge as an incentive to provide high-quality service to wheelchair users. Second, although chair-car companies do not receive a surcharge, their rates for service to nonambulatory passengers are higher. The county set these maximum subsidy limits to provide sufficient subsidy, yet remain within what it considered reasonable subsidy levels and to eliminate abuse of the program. This abuse mainly consisted of a few individuals taking very long trips or keeping taxis waiting for very long periods of time.

In conjunction with the imposition of maximum subsidy limits on each one-way trip, the county instituted a hardship classification. Any participant may register for hardship reimbursements, and if the participant pays more than $10.00 in excess of the maximum limits for medical, employment, and/or educational trips during a 2-week period, he or she may submit copies of the appropriate trip vouchers for reimbursement of out-of-pocket costs above $10.00.

MCTS and the user-side subsidy program staff undertook marketing efforts to promote the program at its inception in June 1978. They sent notices to social service agencies announcing the program and describing its operations. The user-side subsidy staff utilized public service notices, offered at no charge by the local media. In addition, the program staff purchased newspaper advertisements to notify the community of the program.

By December 1978, after changes in eligibility had been made, some members of the handicapped community still felt that many eligible people were not aware of the program's existence. In response, MCTS allocated $10,000 of program funds for television and radio announcements.

The program maintains contractual arrangements with chair-car and taxi companies for the provision of service. Administrative mechanisms for reimbursing carriers are discussed in the next section of this report. At the present time, the program uses three chair-car companies and five taxi companies to provide door-to-door and door-through-door transportation, seven days a week. Hours of operation vary among chair-car and taxi companies, with taxi companies operating 24 hours a day, and some chair-car companies operating from 6 a.m. through midnight.

The Common Council of the City of Milwaukee sets maximum carrier rates. The Council regulates taxi companies by one common rate schedule. Chair-car companies apply individually for adjustments in their maximum-rate schedule based upon their cost of operation. Thus, taxis generally operate with the same rates, while chair-car companies may differ in their rate schedules. Taxi companies received a rate adjustment in early 1981. (The adjustment is discussed in Section 3.) The program has not changed the maximum subsidy limits in response to higher taxi rates.

The user-side subsidy program expanded in 1980, as it had in 1979. For the first time, MCTS separated the administrative costs of the program from general MCTS operations and funded them through the program budget. Total program costs for 1980 were $993,348, an increase of 103 percent over the 1979 budget of $461,068.

Anticipating continued growth in enrollment and tripmaking, and subsequent to a county decision to hold 1981 program expenditures to their 1980 levels, the county held public hearings in late 1980 concerning the appropriate manner in which to restrain program costs. The program announced additional subsidy limits at the start of 1981 to keep the program within a $1 million budget. Maximum subsidies for persons confined to wheelchairs were decreased from $10.00 to $9.50 for wheelchair users, and from $7.00 to $6.50 for other eligible persons. User charges were increased from $1.00 to $1.50. Despite these changes, the county anticipates program expenditures for 1981 of approximately $1.3 million.

In 1981, the program also instituted a $5.00 one-time registration fee for all participants. A County Executive Task Force Report had recommended this fee as a method of restraining the administrative cost of registration by ensuring that only those individuals who intended to use the service would register.* The Task Force also recommended that receipts from the

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*Milwaukee County Executive Task Force on Transportation for the Elderly and Handicapped, Final Report Summary, April 1980, p. 21.

registration fee be used to improve the program in a variety of ways. To date, the program has made no changes using the registration fee. Instead, it has used the funds to continue existing services.

During May 1981, the county moved the user-side subsidy program administratively from MCTS to the DPW. This move, which was recommended in the County Executive Task Force Report, is a method of increasing coordination efforts between the user-side subsidy program and other programs that provide special transportation services. It also places the user-side subsidy program more directly under the administrative control of the County Executive, through the DPW. In conjunction with this administrative move, the county is funding a study on the feasibility of a modified brokerage system to coordinate the county's special transportation services. The next section describes the program's administrative procedures and costs, and highlights some of the advantages and possible disadvantages of coordination.

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ADMINISTRATIVE PROCEDURES AND COSTS

Because user-side subsidies provide aid to specific target groups directly, many consider them superior to other methods of providing assistance. With user subsidies, the funding agency can minimize the amount of funds diverted to ineligible groups. In general, the more rigorous the procedure for certifying individuals as eligible for assistance, the more efficient a program will be in targeting aid.

An assistance program that is extremely target-efficient, however, may have high administrative costs. As the strictness of certification procedures increases, so does the administrative cost of managing the program. The benefits of increased target efficiency, therefore, must be weighed against the additional administrative cost of ensuring that efficiency.

This section describes the administrative procedures of the Milwaukee County User-Side Subsidy Program for the handicapped. The county developed this assistance program for a very narrow segment of the population. To limit access to the subsidies, the county has designed administrative procedures for certifying individuals as eligible for transportation subsidies. The county also developed the program with the goal of simplifying its administration. It has been mindful of the cost of administrative mechanisms and has consistently attempted to minimize the amount of program funds devoted to administrative activities. As will be seen, this strategy of minimizing administrative costs appears to have been successful. In exchange for low administrative costs, however, the county accepts the risk of lower target efficiency, as described below.

ORGANIZATIONAL STRUCTURE

When the Milwaukee County User-Side Subsidy Program began, the County's transit operator, the Milwaukee County Transit System (MCTS), administered the program. The County Transit Board set policy for the program while MCTS handled day-to-day operations. The County Board of Supervisors' Mass Transit Committee acquired policymaking functions in 1979. In May 1981, the county moved the administration of the program to the County Department of Public Works, under the County Executive. The reason for this administrative move is an attempt to improve coordination of the user-side subsidy program with other county programs for the elderly and handicapped.

Under the administrative direction of the Director of Public Works, who is appointed by the County Executive, the county's Special Services Coordinator manages the user-side subsidy program. The Coordinator has direct responsibility for program administration, accounting, and marketing. The coordinator implements policies made by the Mass Transit Committee and adheres to administrative guidelines set by the Department of Public Works. Currently, user-side subsidy accounting is not computerized, although the program coordinator is considering some type of computerization, since the volume of vouchers to be checked and accounted for has increased. Working with the program coordinator are two administrative assistants. These three staff members spend 100 percent of their time on program activities.

ARRANGEMENTS WITH CARRIERS

The program contracts with chair-car and taxi companies to accept user-side subsidy charges. Participation in the user-side subsidy program is open to all carriers licensed by the Common Council. The program has no insurance, maintenance, or driver training requirements of its own. It relies, instead, on the requirements of the licensing board and other funding sources, particularly the Title XIX (Medicaid) program, which sets requirements for chair-car companies.

Accounting procedures are similar to those established for other types of transportation charge customers, with the user-side subsidy program reimbursing the companies at the rate established by the City of Milwaukee's Common Council for each carrier. The program requires that the carrier collect a fixed user fee of $1.50, and it has set a maximum subsidy limit beyond which the user must pay the carrier's fare. In addition, the program allows a $3.00 surcharge to be added to taxi trips taken by persons confined to wheelchairs.

Participating carriers stock user-side subsidy vouchers on their vehicles. When a passenger is making a user-side subsidy trip, the driver must request that he/she be shown the identification card for the program and must then

complete a voucher for the trip. On the voucher, the driver lists the name, address, and identification number of the participant, the total trip cost, subsidy, and user charge. The driver must also have the passenger indicate the purpose of his or her trip and sign the voucher. A customer's signature on the voucher acknowledges his or her belief that the trip he or she is making is not eligible for funding under another source. The customer may also complete the back of the voucher, which asks the customer to evaluate his or her trip. The customer returns the voucher to the driver. The transportation provider must also record the customer's origin and destination. For advance-reservation trips, the provider's office staff completes this information. For immediate-request trips that are radio dispatched, the driver completes this portion of the voucher. Figure 2-1 shows a program voucher.

A carrier processes the vouchers by checking them for completeness and tallying the subsidy amounts for which the carrier will be reimbursed. Reimbursement by the program generally takes from two to four weeks. The carrier submits all vouchers and its reimbursement tally directly to the user-side subsidy program. When received by the county, the program's administrative assistants review each voucher to ensure that the trip is made by an eligible person, that the fare paid adheres to established charges and that all information is properly recorded.

The program does not specify carrier service responsibilities except that taxi companies and chair-car carriers are expected to provide door-to-door service. The program has not made this type of service a requirement for participation. Rather it became the norm for service provision to handicapped persons as a result of the Title XIX program. The program does require that the carrier charge the minimum user fee, even if the trip cost does not reach the maximum subsidy limit.

The user-side subsidy program does no dispatching or matching of participants and carriers. Participants contact the carrier of their choice directly. The carrier schedules trips independent of the user-side subsidy program. The program does not require that carriers organize shared rides although carriers can reduce their costs without reducing revenue if they do schedule shared rides. Taxi companies, despite potential financial savings, do not schedule shared rides. They schedule user-side subsidy trips in the same manner as other trips. The program has a special subsidy rate for carriers who transport organized groups of three or more people from one origin to one destination. Group rates are lower than if each passenger paid single fares.

APPLICATION MATERIALS

The user-side subsidy program staff mails an application package to those who request application materials. This mailing includes a brief description of the program, how it operates, information on how to register, and a

EX1

Date _____

NAME _____ _____

ADDRESS _____

ID NUMBER _____

POINT OF ORIGIN _____ TIME _____

DESTINATION _____ TIME _____

PURPOSE (Check Appropriate Box or Boxes)

1 MEDICAL ☐ 4 SHOPPING ☐ 7 PERSONAL BUSINESS ☐

2 EMPLOYMENT ☐ 5 EDUCATION ☐ 8 OTHER _____

3 NUTRITION ☐ 6 SOCIAL/RECREATION ☐ _____

To the best of my knowledge, this trip does not qualify for payment from Title 19 or 20 of the Social Security Act, Title 3 or 7 of the Older Americans Act, the Veterans Administration, the Division of Vocational Rehabilitation, or any other Federal, State or Local Agency

	Wheel-Chair	Non Wheelchair
TRAVEL COST		
OTHER _____		
1 TOTAL TRIP COST		
2 LESS INITIAL USER CHARGE		
3 ELIGIBLE FOR SUBSIDY (LINE 1 MINUS LINE 2)	1.50	1.50
4 MAXIMUM ALLOWABLE SUBSIDY		
5 ADDITIONAL USER CHARGE (LINE 3 MINUS LINE 4. IF LINE 3 IS LESS THAN LINE 4 ENTER ZERO.)	9.50	6.50
6 TOTAL USER CHARGE (LINE 2 PLUS LINE 5)		

CUSTOMER SIGNATURE _____

COMPANY NAME _____

COPY TO
WHITE — MCTS
CANARY — VENDOR
PINK — PATRON

DRIVER _____ VEHICLE # _____

MCTS APPROVAL _____

AMOUNT _____

№ 287980

HOW WAS YOUR TRIP?

1. DID YOUR DRIVER ARRIVE ON TIME? _____

   IF NOT, HOW LATE WAS THE DRIVER? _____

2. WAS YOUR DRIVER COURTEOUS, HELPFUL? _____

3. COMMENTS: _____ _____

_____

_____

SOURCE: Milwaukee County User-Side Subsidy Program.

Figure 2–1. MILWAUKEE COUNTY USER-SIDE SUBSIDY PROGRAM TRIP VOUCHER.

certification form to be completed by the participant. The package also contains an application for hardship status, which entitles a participant to be reimbursed for user charges exceeding $10.00 in a two-week period for educational, employment, and/or medical trips. Prospective participants may contact the user-side subsidy office for additional information or assistance in completing the application. Appendix A contains copies of the user-side subsidy program application package.

CERTIFICATION PROCEDURES

Prospective participants must complete the certification form mailed to them in the application package. The form is very simple to complete. The applicant must record his or her name, address, telephone number, social security number, and age. The applicant must also indicate if he or she has a Medicaid card. If an applicant has a Medicaid card, medical trips taken by the applicant may be eligible for funding under Title XIX. The application package informs applicants of the necessity of using other forms of transportation assistance, such as Title XIX, if they are available. Users must sign a portion of each trip voucher indicating that the trip does not qualify for such funding sources. There is no other procedure for ensuring that participants do, in fact, use these other sources.

Certification of an applicant's use of a wheelchair, walker, or crutches, or of legal blindness may be done in either of two ways. Applicants may send the certification form to their doctor or agency, who must return the completed form directly to the user-side subsidy program. Alternatively, the participant may indicate the name and address of his or her doctor or agency and let the user-side subsidy program verify the applicant's physical condition.

The user-side subsidy program's administrative assistants process certification forms by calling a prospective registrant's physician or social service agency to verify that the registrant has truthfully been recorded as disabled. The assistants issue identification cards by mail and answer all information requests.

These certification procedures involve very little effort on the part of the applicant and, therefore, cannot be considered a barrier to registration. They also involve relatively little administrative time, even though telephone inquiries by the program staff are made to doctors and social service agencies. The method leaves the decision of eligibility with the physician or agency and, therefore, may not be as strict as a certification procedure administered by the funding source. Under more stringent eligibility requirements than those of this program, such as whether the applicant is physically able to ride a public bus, the method developed by Milwaukee County could lead to the registration of ineligible people. Given the existing categories of eligible participants, however, judging whether or not a person is program-eligible does not require the extensive use of discretion.

NOTIFICATION OF ELIGIBILITY

When a person is certified as eligible for transportation assistance, the program staff mails him or her an identification card with a unique I.D. number, general instructions, and a list of participating carriers. The identification cards do not have a picture of the eligible person on them. Because eligibility is based on the use of certain aids or blindness, a person who is eligible can be identified easily. The county believes that the number of people who would "pose" as subsidy-eligible persons is, therefore, negligible. Appendix B contains the forms sent by the user-side subsidy program to new registrants.

MAXIMUM SUBSIDY LIMITS

Milwaukee County established maximum subsidy limits to control the growth of program expenditures and to eliminate abuse of the program. However, the county did not want a limitation mechanism that unnecessarily restricted access to the program Therefore, the maximum subsidy limits represent a simple, effective method of restraining the program without restricting access to it. As discussed in section 4, the limits do not appear to have affected tripmaking behavior, in that the average trip cost did not change after the subsidies were implemented. They may have restrained the travel of people making longer than average trips, however, and they may affect tripmaking in the future if carriers increase fares.

The limits are appealing in that they are administratively simple. Limiting access to subsidies by some other method, such as limiting by trip purpose, would require a complex administrative mechanism for enforcement. Maximum subsidy limits have become a part of the payment transaction between a carrier and a passenger. They do not require administrative input other than checking the vouchers for the correct fare.

Another benefit of the maximum subsidy limits may be that they will help to restrain carrier fare increases. Currently, the chair-car companies charge $11.00 for the first 30 blocks of service. This amount is equal to the maximum subsidy limit of $9.50 plus the $1.50 user fee. This fare structure has been in place since January 1981 when the maximum subsidy limits were set at their current levels. The carriers claim that they generally do not charge additional amounts for service beyond 30 blocks, although they can. How long the maximum subsidy limits can restrain carrier fares is not known but because companies apply individually to the Common Council, the licensing board, competition among carriers may postpone a fare adjustment.

PROGRAM BUDGETS AND ADMINISTRATIVE COSTS

During the six months in which the program operated in 1978, total program expenditures were $112,954. Administrative costs are not included in this figure as program administration was funded by Federal Section 9 planning funds, provided by the Southeast Wisconsin Regional Planning Council. In 1979, program expenditures totalled $461,068 and, again, administrative costs are not included as they were not separated from other MCTS expenditures. In 1980, program expenditures were $993,348, about $75,500 of which was used for salaries and direct expenses. Overhead expenditures, such as office rental, lights, etc. were included in the general MCTS budget. In 1981 the program budget is expected to exceed $1.3 million, of which approxmately 12 percent will cover the full administrative costs of the program. Because it is now administered under the County Department of Public Works, this amount includes all administrative costs of the program.

FUNDING SOURCES

Table 2-1 lists the funding sources of the user-side subsidy program in 1978, 1979 and 1980. In 1978, the state's 85.08 (3) program provided 90 percent of the program budget, with the county allocating only its 10 percent matching contribution. During the next 2 years, as the demand for transportation subsidies increased, the county contributed much more than 10 percent of the program budget. In 1979, the county contributed 64 percent of the program's expenditures, and in 1980 the county contributed 62 percent.

SUMMARY

The Milwaukee County User-Side Subsidy Program has been designed to be administratively simple. Its registration, certification, and contracting procedures reflect this objective. As a result of simple administrative procedures, administrative costs consume approximately 12 percent of the program budget when full administrative expenditures are included.

The program's simple design also exposes it to the possibility of unnecessary expenditures. Registrants are not given photo identification cards, opening the program to fradulent use. A more serious problem, however, is that the program has no mechanism for ensuring that trips eligible for funding under other transportation assistance programs are not paid for by the user-side subsidy program. The county recognizes this problem and is studying the cost of some type of coordination or brokerage mechanism. Any method of ensuring that trips are properly assigned to funding sources will undoubtedly increase the administrative costs of the current program.

TABLE 2-1. USER-SIDE SUBSIDY PROGRAM FUNDING, BY SOURCE: 1978, 1979, AND 1980

	1978*	1979	1980
State Contribution	$102,685	$166,599	$381,539
County Contribution	$ 10,269	294,469	611,809
Total Program Budget	112,954	461,068	993,348

*Note: Program only operated from June 1978.

SOURCE: Milwaukee County User-Side Subsidy Program.

Another potential adjustment to the administrative procedures now used involves the certification of potential registrants. Currently, an applicant's physician or social service agency verifies an individual's use of a wheelchair, walker, or crutches, or the fact that the individual is blind. If additional groups of handicapped people are allowed eligibility for the user-side subsidy program, certification would almost certainly involve the use of some discretion. It is doubtful if a physician or social service agency serving the individual should be relied upon for an objective assessment of eligibility.

3

RESPONSE OF PARATRANSIT SUPPLIERS TO THE USER-SIDE SUBSIDY PROGRAM

User-side subsidy programs are often considered superior to supply-side subsidies because they preserve the right of individual choice in the marketplace. This factor should increase competition and provide incentives to suppliers to improve service. Provider-side subsidies, in contrast, usually provide no incentive for carriers to make their operations more efficient. If user-side subsidies do provide incentives to suppliers to improve service and efficiency, a program of the magnitude of Milwaukee County's should have a noticeable effect on the local paratransit industry.

This section describes the nature of Milwaukee County's paratransit industry before institution of the user-side subsidy program, and documents changes in the industry since the program's inception. This review provides a basis for drawing preliminary conclusions concerning the response of paratransit suppliers to the program and the effect of the program on the industry. The section draws information on paratransit providers operating prior to the user-side subsidy program, up to 1977, from the Southeast Wisconsin Regional Planning Commission's (SEWRPC) Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982.* Discussions with the user-side subsidy program staff and individual carrier

*Published in April 1978.

representatives supplied information on providers operating after 1977, with an emphasis on those providers contracting with the program.

PROVIDER CONTRACTS AND REIMBURSEMENT

The Milwaukee County User-Side Subsidy Program supports a large portion of the paratransit industry in the county. The program contracts with chair-car and taxi companies for their receipt of program vouchers. Controlling over $110,000 worth of total trip revenue per month by mid-1981, the program is estimated to account for approximately one-third of chair-car company revenues and one-quarter of taxi company revenues. Of the total number of trips sponsored by the program, chair-car companies serve about 45 percent and taxi companies serve 55 percent. Because chair-car rates are higher than taxi rates, however, chair-car companies receive 57 percent of total program billings, while taxi companies receive 43 percent.

A provider can become a contractor with the user-side subsidy program if it is appropriately licensed with the City of Milwaukee's Common Council, which regulates the paratransit industry. The program has not rejected the application of any licensed provider to become an affiliated carrier. At the present time, five taxi companies and three chair-car companies contract to provide service under the user-side subsidy program. There are three very small taxi companies that do not participate in the program. All chair-car companies in the county participate.

The requirements for being a program carrier extend beyond simply providing transportation service. Although the program has no insurance or other carrier requirement of its own, it does necessitate increased administration and financial activities on the part of the carriers. The major administrative tasks for program carriers are completing and accounting for individual trip vouchers. While a separate voucher is needed for each individual, the program does not require a separate billing form. Unlike other public assistance programs, trip vouchers and billing forms are one and the same form. Financially, carriers must be able to support the cash flow for program charges from the time service is provided until it is paid by the county. Carriers state that this period can be from two to three weeks.

The user-side subsidy program is not the largest funding source for transportation services to the disabled. The state-administered Title XIX program, Medicaid, provides transportation for medical purposes to its clients. All chair-car companies contracting with the user-side subsidy program are also Title XIX providers. In fact, Title XIX trips comprise the bulk of their business.

Similar to the user-side subsidy program, Title XIX clients have a program I.D. card and are free to choose among providers. The individual must indicate to the carrier which funding source is sponsoring the trip. Many Title XIX clients are also user-side subsidy registrants, leading to

confusion at times concerning the appropriate funding source. There is concern that the user-side subsidy program may be paying for trips eligible for Title XIX funding. The program's administrative procedures do not include any method for determining if a trip can be funded under another program, either through Title XIX or a social service agency.

The responsibility for insuring that user-side subsidy participants indicate the appropriate sponsor for a trip falls on the carriers. Many individuals call the same carrier for both Title XIX-sponsored and user-subsidy trips. The carrier, therefore, may be able to discern the appropriate sponsor if the client is uncertain. Carriers, however, have little incentive to do so other than good will. Title XIX reimbursement forms are more complex than user-subsidy forms, and the period before payment is significantly longer (60 days versus 2 weeks). In addition, the user-side subsidy program will not deny payment for a trip by an eligible person unless he or she travels outside of the county, while the Title XIX program does reject claims if certain criteria are not met.

The county is currently studying this issue of program funding and the possibility of improved coordination with the Title XIX program and with local social service agencies. The county is also investigating the benefits of coordination (particularly savings from increased ride-sharing), and weighing these benefits against the cost of a larger administrative structure.

THE PARATRANSIT INDUSTRY AND ITS RESPONSE

Four different types of paratransit providers operate in Milwaukee County. All of these were offering services to handicapped residents before the user-side subsidy program was instituted. The four types of providers are

1. The Milwaukee County Transit System,
2. Social service agency transportation services,
3. Taxi companies, and
4. Chair-car companies.

The following sections describe each provider, the manner in which it provides transportation service to handicapped county residents, and its response to the user-side subsidy program.

THE MILWAUKEE COUNTY TRANSIT SYSTEM (MCTS)

As noted in Section 1, prior to the user-side subsidy program, the MCTS offered reduced fares during off-peak periods for elderly and handicapped county residents. MCTS provided no accessible service. After the lawsuit filed by three handicapped individuals, MCTS purchased 100, lift-equipped, Flxible "new look" buses. These buses arrived in August 1979, soon after the

user-side subsidy program had begun. The county also purchased an additional 150, lift-equipped, GM RTS-II buses, which arrived in March 1980. MCS guarantees lift-equipped buses for all base period service on 13 of its 62 routes. These 13 routes carry 44 percent of the total system ridership. Buses added to base service equipment during rush-hour periods are not lift-equipped. Handicapped persons are still eligible for half-fare privileges during the off-peak period.

The county's experience with lift-equipped buses has not been particularly encouraging. Equipment failures have been frequent. A common equipment breakdown has occurred when the lower portion of a lift is damaged by striking packed snow, curbs, and other projections. Another common failure is electrical malfunctioning in the control box. Failures such as these have been widely publicized, conveying the impression to some that lift-equipped buses are unreliable. MCTS cycles the lifts nightly to prevent equipment failures, but even with this precaution only about 60 percent of all accessible buses have workable lifts at any given time.

Ridership on the accessible buses has been very low. While as many as 40 one-way trips have been made during one month using the lift equipment, MCTS estimates that these trips are made by a total of 15 individuals. MCTS believes a few additional individuals use the equipment during the summer months.

The reasons behind the low usage of MCTS's accessible buses are the subject of some speculation in the county. Some MCTS officials believe that the service is not truly accessible to the majority of transportation-handicapped persons. Potential riders must still make their way to a bus stop in a county where weather conditions are often severe. People who favor the continuation of lift-equipped service, on the other hand, contend that equipment unreliability, poor driver training, and other factors make accessible buses a risky alternative for handicapped travelers. With a period of more stable operations, user training, and driver training, these proponents believe that use of the service will increase.

Whatever the reasons for low ridership on MCTS accessible buses, most county residents confined to wheelchairs choose to utilize the user-side subsidy program instead. Table 3-1 lists one-way trips made by persons confined to wheelchairs on accessible buses and through the user-side subsidy program in 1979 and 1980. The user subsidy program provides a much larger number of trips for this group each month. In response to this situation, some county officials have advocated discontinuing accessible bus service and lift maintenance, and using those funds for user-side subsidies.

It should be noted that Milwaukee County was one of the first localities in the United States to utilize lift-equipped buses. With the institution of the user-side subsidy program, the county became one of two localities, Seattle being the other, where nonambulatory individuals are able to choose between accessible bus and paratransit services. Milwaukee County, therefore, is one of the only areas where one can observe the preferences of

TABLE 3-1. MONTHLY ONE-WAY TRIPS OF PERSONS CONFINED TO WHEELCHAIRS BY LIFT-EQUIPPED BUSES AND USER-SIDE SUBSIDY PROGRAM: 1979 AND 1980

Month	Total Trips by Lift-Equipped Buses*	Total Trips by User-Side Subsidy Program*
August 1979	52	3313
September	49	3650
October	6	4189
November	9	4263
December	21	4179
January 1980	15	4170
February	8	4191
March	7	4840
April	2	5020
May	5	5827
June	10	6027
July	59	5851
August	65	6812
September	78	6371
October	64	7944
November	40	7575

*Note: Trips by persons confined to wheelchairs only.

SOURCE: MCTS and Milwaukee County User-Side Subsidy Program.

handicapped travelers for fixed-route accessible buses versus paratransit. Therefore, the results presented in Table 3-1 are quite significant in the context of the extensive provision of accessible regular route service (i.e., all buses are lift-equipped during the base period on thirteen routes carrying 44 percent of total daily system ridership).

In late 1981, after the Reagan Administration's decision to make compliance with Section 504 accessibility regulations a matter of "local option," the county did, in fact, enter into a conciliatory agreement with the individuals who had sued the county in 1976. The agreement states that the county will terminate operation and maintenance of the lift equipment on its buses and fund user-side subsidies at a level equal to 2.2 percent of the MCTS operating budget. No more than 9 percent of this amount can be used for administration. If administrative costs rise above 9 percent of the total, they must be paid through additional funding. It should be noted that this amount will represent a greater contribution by the county to paratransit than the local contribution recommended in U.S. DOT's July 20, 1981 amendment to its 504 regulations.*

SOCIAL SERVICE AGENCY TRANSPORTATION SERVICES

In 1977, 18 social service agencies provided transportation services for their elderly or handicapped clients residing in Milwaukee County. A total of 44 agency-owned vehicles operated in the county, with more than 50 additional vehicles provided through contracts with private operators. Total annual expenditures by social service agencies were estimated to exceed $1 million. One-half of the agencies provided service throughout the county, with the rest providing service only to limited service areas within the county.

In 1977, 7 of the 18 social service agencies providing transportation contracted with private operators for service. The remaining 11 agencies operated their own vehicles using a mix of paid and volunteer drivers. Agencies provided most of the service on a door-through-door basis; that is, from a client's front door through the door of his or her destination. Two of the agencies, FISH of Milwaukee and the Inner City Council on Alcoholism, provide service to elderly and handicapped persons only on an emergency or referral basis.

Each agency has established its own eligibility requirements and most serve only their own clients. Dunbar House Foundation and Project Involve are the

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*49 CFR Part 27. The amendment specified that special service expenditures of an annual dollar amount equivalent to a minimum of 3.5 percent of UMTA's Section 5 operating assistance would meet UMTA requirements.

only agencies that do not limit service by trip purpose. Six agencies restrict service to one purpose only, depending on the nature of the agency. Many others provide service only for scheduled or group trips.

Social service agencies provide the majority of their trips on an advance-reservation basis. The agencies have limited service hours, with service generally provided 8 to 10 hours every weekday beginning as early as 7:00 a.m. and terminating by 5:00 p.m.

Since the inception of the user-side subsidy program, social service agencies have not changed the nature of their transportation services. One major link between social service agencies and the program, however, relates to program funding. Many social service agency clients are eligible for user-side subsidies. There is concern by some observers of the program that it may be subsidizing trips that are eligible for sponsorship by social service agencies. As is the case with trips eligible for Title XIX funding, user-side subsidy administrators cannot be certain that the trips they are subsidizing are ineligible for funding by agencies. At the present time, the program relies on social service agencies not to transfer their costs to the user-side subsidy budget in this manner. Program administrators believe the agencies value the user-side subsidy program as an important service to their clients and would not jeopardize it.

TAXI COMPANIES

In 1977, 10 taxi companies were operating in Milwaukee County. Seven of these were headquartered in the City of Milwaukee, with about 370 vehicles. Operators headquartered outside the City of Milwaukee are generally smaller operators.

The Common Council of the City of Milwaukee's Utility Commission regulates the taxi industry in Milwaukee County. The Common Council sets taxi rates and its maximum-rate standards apply to all operators. Previously, the Council granted licenses at its discretion. Now, the Council holds a public hearing to consider license applications.

The taxi industry relies on telephone requests, on-street requests, and service contracts as its basis for operation. For large taxi companies, service contracts are particularly important, for they guarantee a certain portion of total revenue and provide a minimum foundation for operating levels. Many major companies, such as the Telephone Company, contract for taxi service for their employees. Some public agencies, such as the State Division of Vocational Rehabilitation, also contract for service. The taxi companies accept vouchers from representatives of companies with which they have a service contract. These vouchers are known as "transit charges." Telephone and on-street requests, while important sources of revenue, often fluctuate, particularly on a seasonal basis, and, by themselves, would not furnish a sufficient basis for a large taxi operation.

Transit charges present large cash flow requirements for taxi companies. Drivers are paid regularly even though large sums of money may be outstanding due to a high percentage of service-contract business. Consequently, it is generally the large taxi companies that are engaged in Milwaukee's transit charge business.

No taxi companies in Milwaukee County provide service to Title XIX clients. This nonparticipation is due to the long period between service and payment by the State of Wisconsin, as well as the complex insurance, passenger assistance, and billing requirements of the program.

Three of the taxi companies operating in the county are cooperative associations. Cooperative associations are a means of providing centralized dispatching, billing for transit charges, advertising, and a few other, minor services to independent operators. Cooperative members own their vehicles and provide their own insurance and maintenance. They pay cooperative membership dues, mainly for the use of centralized dispatching. Association members must generally purchase a share of the cooperative to join, and revenue from shares forms the cooperative's assets. Members elect officers and vote on association rules and operating policies. Cooperative associations constitute an important segment of the county's taxi industry.

Taxis provide 24-hour, demand-responsive service. Industry representatives claim most telephone service requests are answered within 15 minutes of the request. Taxis do not organize shared-ride trips.

In 1976, the Wisconsin Department of Transportation undertook an inventory of taxi companies and their services to elderly and handicapped persons.* Five of the 10 taxi firms responded and the Department collected the following general information, as summarized by the Southeast Wisconsin Regional Planning Commission (SEWRPC):**

1. Taxis serve elderly and handicapped individuals on a regular basis.

2. No special discounts are in effect for the elderly and handicapped.

3. Taxi drivers do provide assistance to elderly and handicapped, but this is primarily by individual effort and not usually corporate policy.

4. Taxi operators would be willing to provide special services for the elderly and handicapped if they were reimbursed for such services.

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*Wisconsin Department of Transportation, Transportation for the Elderly and Handicapped in Wisconsin, August 1976.

**Southeast Wisconsin Regional Planning Commission, Regional Transportation Plan for the Transportation-Handicapped in Southeastern Wisconsin: 1978-1982, April 1978, p. 238.

When the county instituted the user-side subsidy program in 1978, three taxi companies agreed to accept program vouchers. These three taxi companies, City Veterans®, Yellow Cab®, and Brew City Taxi®, are the county's largest taxicab companies. Smaller companies were not interested in the program, a response the user-side subsidy program staff believes is due to their reluctance to engage in transit charge business. Since then, however, two smaller companies, Metro Taxi Systems®, and Adkins Transportation®, have joined the network.

Taxis provide more than half of all program trips yet account for less than half of program reimbursements. This discrepancy exists because taxi rates are lower than chair-car company rates. The program provides almost two taxi rides for the cost of one chair-car ride. Table 3-2 compares statistics for program-sponsored taxi rides versus chair-car rides.

In May 1981, City Veterans, the carrier that serves the largest number of user-side subsidy trips, provided 5,833 one-way trips. These trips account for 81.5 percent of taxicab-provided program trips and 44 percent of all trips. The average subsidy for a City Veterans trip was $4.66 and the average total cost was $6.45.

City Veterans, a taxi association, joined the user-side subsidy carrier network when the program started. At that time, the company did a large share of its business in transit charges, which accounted for over 90 percent of their daytime business. It believed user-side subsidy charges would be a good source of revenue for the association and its individual members.

To initiate drivers to the program, City Veterans held a general meeting to describe it and to teach drivers how to complete program vouchers. The drivers, who vote on association regulations, approved a series of rules intended to insure quality service to their customers. These rules include a $15.00 fine for refusing a charge order. The fine is only $2.00 if the customer is not a charge customer. This rule reflects the importance of charge business to the company and also results in better service for user-side subsidy customers. Drivers cannot refuse program-sponsored trips. When an association radio dispatcher announces a service request he or she does not indicate the fact that the trip is program-sponsored. The difference in the fine for refusal would appear, therefore, to have no effect, except that some drivers know from the dispatched address if the request involves a user-side subsidy customer. Furthermore, until the call is answered, the dispatcher announces no additional requests for service in that area.

City Veterans drivers assist disabled passengers from door to door. Any service beyond that is at the driver's discretion. Drivers receive a $3.00 fee from the user-side subsidy program to serve participants confined to wheelchairs. Drivers interviewed for this study felt that this $3.00 fee was necessary to compensate them for the time spent waiting for and assisting persons in wheelchairs, and that it made them more willing to carry wheelchair customers. Many felt that the fee should also be paid for service

TABLE 3-2. NUMBER AND COST OF USER-SIDE SUBSIDY TRIPS BY CARRIER TYPE: MAY 1981

	May 1981	
	Chair-Car Carriers	Taxi Carriers
Trips	5,994	7,151
Total Subsidy Reimbursements	$52,401	$34,407
Total Trip Revenue*	$63,190	$47,545
Percent of Total Trips	46	54
Percent of Total Trip Revenue	57	43
Average Subsidy/Trip	$8.74	$4.81
Average Total Revenue/Trip	$10.54	$6.65

*Note: Total trip revenue equals subsidy reimbursement plus user contribution.

SOURCE: Milwaukee County User-Side Subsidy Program.

to other disabled persons. Some drivers indicated that it was difficult to avoid trip requests by handicapped persons due to association rules. All drivers interviewed supported and approved of the program, expressed their belief that it was good for business (even if some program trips were more time-consuming than others), and were confident that they served more handicapped people now, especially blind persons.

The association representatives echo the sentiments of their drivers, except that they are willing to continue to assess the $3.00 surcharge for wheelchair passengers only. They believe that the program has, in fact, turned out to be very good for their drivers, particularly in the summer when there are fewer on-street and telephone requests.

Association representatives have hired two accounting clerks to handle billing and bookkeeping for the program. Drivers do not always complete vouchers correctly and the association office must check each one for completeness. As a new incentive for driver compliance, the association does not pay drivers for charge trips if the voucher is not completed correctly. The association has not hired additional dispatchers for the program. They handle user-side subsidy trips the same way as all other trips, and the company makes no attempt to ride-share.

The association carries over $35,000 in program-sponsored charges during an average month. It receives payment from the program about every two weeks, although the period before payment has been as long as one month.

The Common Council regulates City Veterans®, like all other taxi companies in the county. In mid-1980, the taxis received permission to increase their fare schedules from $0.95 for the first quarter-mile and $0.20 for each additional quarter-mile to $1.00 for the first quarter-mile and $0.25 for each additional quarter-mile. City Veterans believes that its ridership decreased as a result of this fare increase. All taxi companies participated in the increase. Because of the program's maximum subsidy limits, they also expect it to affect user-side subsidy participants.

CHAIR-CAR COMPANIES

In 1977 there were six private chair-car companies licensed by the city of Milwaukee's Common Council. These six companies are*

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*Southeast Wisconsin Regional Planning Commission, Regional Transportation Plan for the Transportation-Handicapped in Southeastern Wisconsin: 1978-1982, April 1978.

1. Handicabs, Inc.®;
2. Care Cabs, Inc.®;
3. Quality Care, Inc.®;
4. Emergency Care Services®;
5. Ray Transit®; and
6. Limited Care®.

Of these, only the first four actually provided service during part or all of 1977. The others, while licensed, never began operations. Two of the first four companies stopped service. Emergency Care Services ceased operations in 1977 as a result of a state decision that discontinued funding under Title XIX for transportation service to the mentally handicapped. Emergency Care Services transported mentally handicapped persons almost exclusively. Another provider, Handicabs, suspended its chair-car operations in 1978 while remaining in operation as a school bus contractor. Handicabs, which had provided service to the handicapped for 18 years, was adversely affected by the state's Medicaid decision, but the influence of this cutback upon its decision to suspend service is not known.

Chair-car companies provide transportation service in a variety of vehicles, mostly vans, although school buses are sometimes used to carry large groups of elderly persons. The van equipment used by the companies includes regularly equipped vans, vans with riser roofs and mechanical lifts, and vans equipped with a ramp for wheelchair entry. Different types of vehicles are utilized depending on the needs of individual patrons.

Chair-car companies schedule service on a 24-hour, advance-reservation basis. Early morning service generally requires full 24-hour advance notification, but the companies have always tried to fit immediate-service requests into their schedules. The companies do not guarantee such demand-responsive service. Because most of their patrons have difficulty ambulating, chair-car companies provide door-through-door service.

Prior to the user-side subsidy program, chair-car companies offered service from 6:00 a.m. to 6:00 p.m. or 7:00 a.m. to 7:00 p.m., depending on the company. They offered limited service on Saturdays and no service on Sundays.

One reason for the advance-reservation requirement of chair-car companies is their need to schedule vehicles. Some clients need special vehicles and all vehicles have the capacity for more than one person confined to a wheelchair plus several ambulatory individuals. The chair-car companies, therefore, try to organize shared-ride trips as much as possible. Ridesharing allows them to deploy vehicles more efficiently and earn more revenue per trip. One chair-car company representative expressed the opinion that the ability to schedule shared-ride trips was directly related to a company's profitability.

To a greater degree than large taxi companies, chair-car companies are dependent upon contract business. Only about 5 percent of their business is

with cash customers. They perform the remainder through service contracts with social service agencies, nursing homes, the state Division of Vocational Rehabilitation and, in particular, state-administered Title XIX.

Chair-car companies obtain contract business by marketing their services directly to nursing homes, social service agencies, and others who sponsor transportation for disabled persons. The companies market their services among Title XIX clients by providing quality service and fostering repeat business. Most do not advertise.

All chair-car companies in the county are licensed by the city of Milwaukee's Common Council. Unlike the taxi industry, however, chair-car carriers apply for rate adjustments individually. Therefore, individual chair-car companies may have different rates than other chair-car companies, although the rates tend to cluster as a result of competition for Title XIX clients (and now user-side subsidy participants).

Unlike most taxi companies, in which driver salaries are related to the number of trips provided by each driver, chair-car companies pay their drivers a fixed, hourly wage. In early 1981, the typical starting chair-car driver's hourly wage was $4.50.

When the user-side subsidy program began, three chair-car carriers agreed to accept vouchers from program participants. Of these carriers, only one, Care Cabs, Inc.®, has been in continuous operation since 1977. Handicabs, Inc.® accepted program vouchers for a very short time before terminating operations. Medical Transport®, a smaller concern, began demand-responsive service in 1978 and immediately contracted with the program. Quality Care, Inc.®, the only other chair-car company in operation by the end of 1977, terminated operations before the county instituted the user-side subsidy program.

Two other chair-car companies now accept user-side subsidy vouchers. Meda-Care Vans, Inc.®, a small carrier that also serves Title XIX clients, began operation in August 1979 and joined the user-side subsidy provider network immediately. The second carrier, Handicabs, Inc.®, re-entered the paratransit industry and became a user-side subsidy provider by acquiring Medical Transport in 1981. Because of Handicab's entry through acquisition, there are essentially three chair-car providers that service user-side subsidy trips: Care Cabs, Inc., Handicab/Medical Transport, and Meda-Care Vans, Inc.

Chair-car companies provide approximately 46 percent of all user-side subsidy trips. Because their rates are higher than taxi rates, however, chair-car companies receive about 57 percent of program reimbursements. Chair-car companies can apply to Milwaukee's Common Council for rate adjustments if their rates are not sufficient to meet costs. Currently, for service to persons in wheelchairs, chair-car companies charge $11.00 for the first 30 blocks of service, with an additional $1.00 charged for every 10 blocks thereafter. According to the chair-car companies, the high initial fee

reflects the costs of passenger assistance, including door-through-door service. Table 3-3 compares 1981 taxi and chair-car rates. It should be noted that the initial chair-car fare of $11.00 equals the user-side subsidy of $9.50 plus the $1.50 required passenger fee.

Care Cabs, Inc.® provides the largest portion of user-side subsidy trips furnished by the chair-car companies. In early 1981, Care Cabs served 62 percent of all program-sponsored chair-car trips and 28 percent of all program-sponsored trips, including chair-car and taxicab trips. The average subsidy for a program-sponsored Care Cab trip was $8.55, while the average total trip cost was $10.45. The average trip cost is lower than the minimum individual rate of $11.00 due to the program's special reimbursement schedule for group rates (which must be used when three or more people are picked up at a single location and dropped off at a single destination), and due to a lower rate for ambulatory persons of $8.00 for the first 30 blocks traveled.

Care Cabs is the county's largest provider of chair-car services. The owners of Care Cabs have similar operations in Minneapolis, Minnesota; Madison, Wisconsin; and parts of Florida. Besides the user-side subsidy program, Care Cabs serves the Milwaukee public schools, the state's Division of Vocational Rehabilitation, the County Office on Aging, the Veterans' Administration, and private clients, such as social service agencies, nursing homes, and individuals. Most of these contracts are on a fixed-bid basis.

Care Cabs operates 60 vehicles in Milwaukee. All but two of these are Dodge vans, 10 of which have riser roofs to provide extra headroom, particularly helpful for people who use electric wheelchairs. The company maintains its own vehicles.

Currently, Care Cabs schedules its vehicles manually. The company is in the process of computerizing part of its scheduling procedures, although the assignment of trips to vehicles will continue to be the responsibility of a dispatcher. The company estimates that it takes about one person to handle user-side subsidy vouchers.

The company's owners believe that a chair-car company can be operated successfully with either 6 to 8 vehicles and close attention to scheduling, or more than 40 vehicles and the aid of a computer. Between those two levels of operation, costs cannot be controlled properly, they contend. The ability to schedule shared-rides is particularly important in keeping the cost per hour of operation below the competitive fare level.

Care Cabs employs three people to perform marketing activities for the firm. The company perceives that its marketing functions should be instrumental in educating people concerning the existence and availability of its services. Marketing representatives contact agencies who may contract for service and they contact individuals, some of whom do not realize they are eligible for subsidized transportation. The representatives attempt to stay informed and to anticipate the types of service people will need. The company is also politically active and lobbies for legislation that affects its business.

TABLE 3-3. CHAIR-CAR AND TAXI COMPANY RATES: 1981

Chair-Car Rates

First 30 Blocks and Any Portion Thereof - Nonambulatory	$11.00
First 30 Blocks and Any Portion Thereof - Ambulatory	$ 8.00
Additional 10 Blocks and Any Portion Thereof	$ 1.00

Taxi Company Rates

First 1/4 Mile	$1.00
Each Additional 1/4 Mile	$0.25

SOURCE: Milwaukee County User-Side Subsidy Program.

Care Cabs, Inc.® has altered its hours of operation to maintain a large share of user-side subsidy clients. In 1977, the company provided service from 7:00 to 7:00 on weekdays, with limited service provided on Saturday. The company now operates form 6:00 to midnight, seven days a week. Advance reservations are still required although the company will attempt to accommodate shorter-notice service requests if possible. During the early morning and afternoon rush periods, such accommodations are usually not possible. The company claims it charges only the maximum subsidy limit plus the user fee for most user-side subsidy trips regardless of trip length within the county. With recent cost increases, however, it does not believe this practice can be continued.

Care Cabs provides about 13,500 one-way trips per month. The county subsidizes about 30 percent of these trips through the user-side program. The program is, therefore, the source of a large part of the company's revenue. The company has made the accommodations to passengers' service needs described above to retain a large share of the user-side subsidy market. The owners, drawing on their experiences in Minneapolis and Florida, where assistance is provided through supply-side subsidies, state that the county's program fuels competition in the industry because participants can call any carrier they want. The Title XIX program, in which clients also call the carrier of their choice, ensures competition in the industry as well.

Meda-Care Vans, Inc.®, a much smaller company than Care Cabs, provides about 15 percent of user-side subsidy chair-car trips and 7 percent of all user-side subsidy trips. The average subsidy for a program-sponsored Meda-Care trip was $8.97 and the average total trip cost was $10.60. Besides the user-side subsidy program, the company relies almost entirely on trip requests from Title XIX clients.

Operating with 10 vehicles, the company provides about 1,000 user-side subsidy trips per month. These trips constitute about 50 percent of their total operation. The company maintains its own vehicles at its headquarters. Meda-Care Vans, Inc. has grown rapidly in the last year, in large part because of its success in attracting user-side subsidy trips. Three of its vehicles have been acquired within the past year.

The company has been able to use its vehicles more efficiently as its operations have expanded. Previously, Meda-Care found it difficult to schedule shared rides because of the low trip volume and small number of vehicles. The company performs all scheduling and billing manually. The company estimates that about one-half of one person's time is spent processing user-side subsidy vouchers. The company does not employ anyone to market its operations, and after initial contacts with social service agencies and nursing homes, it has relied on passengers' word-of-mouth to gain customers among user-side subsidy participants and Title XIX clients.

Another way that Meda-Care Vans believes it gains regular passengers is through its flexibility in providing service. For most trips, the company

charges only the maximum subsidized by the user-side subsidy program plus the user fee. It attempts to provide service as requested, although immediate requests cannot always be met. The company allows stops to be made en route. Meda-Care Vans® also sends service evaluations to its customers on a quarterly basis and responds to customers' service comments.

The company provides door-through-door service, as required under Title XIX provider regulations. Hours of operation are 6:00 a.m. to 6:00 p.m. on weekdays, and the company provides weekend service if it receives enough service requests. If demand is not sufficient, the company asks customers if they are willing to make the trip another time or to call another company.

The company's operators have had experience in providing chair-car service in previous situations. Part of their motivation for entering the industry with Meda-Care Vans, Inc. appears to be a desire to improve service quality. With an emphasis on quality, they regard Meda-Care Vans as a source of competition for other companies in the industry.

Meda-Care Vans operators expressed concern about the difficulty of identifying the correct funding source for some trips they provide. Many of their customers are eligible for both Title XIX and user-side subsidy funding. Often, it is left to the carrier to decide which is the appropriate funding source. This decisionmaking process can be time-consuming for the carrier if each customer's affiliations are not immediately apparent.

SUMMARY

The user-side subsidy program has had some effect on all four types of providers serving handicapped persons in Milwaukee County. For the MCTS and social service agencies, the program has affected a relatively small portion of their operations. For large taxi companies and chair-car companies, the program has become an important source of revenue.

As a result of the user-side subsidy program, MCTS has been freed from the responsibility of providing accessible bus service. Because user-side subsidies have become so popular and serve so many people, those handicapped individuals whose original lawsuit forced the county in 1976 to purchase accessible buses have agreed to allow the lift equipment at issue to become permanently inoperative. The county, in exchange, has agreed to fund user-side subsidies by an amount equal to 2.2 percent of the MCTS operating budget.

Social service agencies have not benefited directly from the user-side subsidy program, although many of their clients have. The agencies may be able to transfer some of their transportation costs to the program because no system for screening user-subsidy trips exists. The county, however, relies upon the agencies not to engage in this type of behavior, and no evidence exists that they do transfer their costs.

Taxi companies have become an important part of the user-side subsidy program's provider network. Taxis provide low-cost, immediately available service to program participants. Because taxi companies have joined the network, the program is able to provide, with the same budget, about one-third more trips than it would be able to using chair-car companies only.

Taxi companies benefit substantially from the user-side subsidy program. In 1981, the program provided over $45,000 in revenues to taxi companies each month. For those companies participating, user-side subsidy trips are a significant portion of their business. Moreover, user-side subsidy customers represent a relatively stable market in an industry plagued by deep seasonal shifts in demand.

Taxi companies have adjusted to the demands placed upon their operations by participation in the user-side subsidy program. They have hired additional personnel to check and account for user-side subsidy vouchers. More relevant from the user's perspective, the companies have recognized the new importance of handicapped persons in the market for taxi service.

Taxi companies have improved the service they provide to persons confined to wheelchairs particularly because of the $3.00 surcharge allowed by the user-side subsidy program. Drivers interviewed for this case study indicated their willingness to provide services for which they are paid. They are therefore willing to aid persons in wheelchairs because of the surcharge.

The chair-car industry seems to be the provider type that has been most affected by the user-side subsidy program. Chair-car companies are very dependent upon government transportation assistance programs, many of which use fixed-bid contracts. The user-side subsidy program has allowed the industry to reduce the extent of its reliance on previous funding sources.

With the user-side subsidy program, the industry has expanded. In 1981, the program provided over $63,000 in revenue to the industry each month, a significant increase in industry revenues. Prior to the program, only one carrier remained in stable operation. Now there are three. While carriers that have initiated operations since the program began indicate that they would have entered the industry in any case, it is not clear if all three carriers would be able to maintain operations without the user-side subsidy program.

The result of an expanded industry and increased competition is evident in longer hours of operation by chair-car companies and greater flexibility in providing service. Carriers attempt to differentiate their services in some way, hoping to retain passengers as regular users. Chair-car fares, which now equal the program subsidy and user fee, also indicate the effect of the program on the industry.

4

CHARACTERISTICS OF THE HANDICAPPED POPULATION AND ITS RESPONSE TO THE USER-SIDE SUBSIDY PROGRAM

The ability of handicapped persons to travel when and where they desire is often limited by their economic situation and physical condition. The central goal of Milwaukee County's User-Side Subsidy Program is to reach the county's handicapped residents and improve their travel opportunities. This section describes the county's handicapped population and the extent to which this group has made use of the county's user-side subsidy program.

The section is divided into two subsections. The first describes the characteristics of the handicapped population in Milwaukee County. These data are drawn from estimates by the Southeast Wisconsin Regional Planning Commission (SEWRPC).* SEWRPC computed the estimates reported here by applying National Health Survey statistics to Census data and through original surveys of the handicapped community. The second subsection provides data on program enrollment, usage, and subsidy levels for each group of eligible individuals. The user-side subsidy program staff provided this information from its county and state accounting records.

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*Southeast Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeastern Wisconsin: 1978-1982, April 1978.

CHARACTERISTICS OF THE HANDICAPPED POPULATION

NUMBER OF HANDICAPPED PERSONS AND DEGREE OF DIFFICULTY IN USING TRANSIT

As derived from secondary-source incidence rates, transportation-handicapped individuals compose approximately 4.6 percent of the Milwaukee County population, or 46,147 persons. Another 92,613 persons are considered able-bodied elderly, (i.e., those individuals without mobility restrictions who are over 65 years of age). Table 4-1 lists these figures. Milwaukee County is the home of 63 percent of the transportation-handicapped and 67 percent of the able-bodied elderly persons residing in the southeastern Wisconsin region, which comprises a six-county area.

Of the total number of transportation-handicapped individuals, 69 percent, or 31,900, are chronically disabled persons living in private households; 11,300 persons, or 25 percent, are institutionalized, and the remaining 6 percent are acutely (temporarily) disabled. In terms of mobility restrictions, 40 percent of those termed "chronically disabled" and living in private households are not severely restricted. This group is believed only to have "trouble getting around."

A majority, 58 percent, of all transportation-handicapped individuals in Milwaukee County are estimated to be 65 years of age or over. Of the remainder, 3 percent are under the age of 17, and 39 percent are between the ages of 17 and 65. These estimates indicate that a large number of the county's handicapped residents are both handicapped and elderly.

SEWRPC estimated that within Milwaukee County 65 percent of the total number of transportation-handicapped and 66 percent of the able-bodied elderly live in households that earned less than $8,000 a year in 1976. SEWRPC derived the estimates by applying ratios obtained from a 1976 survey to population estimates from secondary sources. SEWRPC considered those households with annual incomes below $8,000 to be "economically disadvantaged."

PROGRAM-ELIGIBLE HANDICAPPED PERSONS

SEWRPC undertook a small telephone survey in preparing its plan for handicapped and elderly residents of the region. The Commission contacted slightly over 1 percent of the estimated 567,000 occupied housing units in southeastern Wisconsin in the random telephone survey. The sample size reflects the Commission's desire for regional estimates. SEWRPC considers the survey to be reliable for large areas, such as Milwaukee County, but not reliable for small area estimates, such as for the area of Milwaukee County not served by transit.

SEWRPC designed the survey to obtain a more detailed profile of the transportation-handicapped than was available through the use of secondary

TABLE 4-1. ESTIMATES OF THE TRANSPORTATION-HANDICAPPED, ABLE-BODIED ELDERLY, AND TOTAL POPULATION IN MILWAUKEE COUNTY

Population Group	Number*	Percent of Total
Transportation Handicapped	46,147	4.6
Able-Bodied Elderly	92,613	9.2
Nonhandicapped, Nonelderly	870,475	86.2
Total Population	1,009,235	100.0

*SEWRPC estimated these numbers by applying 1972 National Health Survey statistics to Census Bureau population estimates.

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

sources. The findings of this survey can be used to provide some measure of the number of handicapped persons eligible for the user-side subsidy program.

Using secondary sources only, SEWRPC estimated that 34,800 of the 46,147 transportation-handicapped persons are living in private households. Using its survey results, SEWRPC estimated that 39,746 persons are transportation-handicapped and living in private households. This discrepancy is due to differences in the definition of "transportation-handicapped" and to differences in the estimation techniques used.

SEWRPC developed nine categories in its survey to describe the types of disabilities that individuals in the region may have. Table 4-2 lists estimates of the number of persons in Milwaukee County with each type of disability. Disability categories, while useful for descriptive purposes, do not allow estimation of the potential market for the user-side subsidy program in Milwaukee County. The program bases eligibility for the subsidy on one's use of specific mobility aids or legal blindness. Disability categories do not immediately reveal what type of aid is being employed.

Fortunately, the SEWRPC survey also produced estimates of the number of persons in the region using specific mobility aids. Table 4-3 lists the estimates for Milwaukee County.

These data can be used to estimate program-eligible persons. Anyone who uses an aid listed in Category #2 in the table, or Category #3 (a wheelchair) can be considered eligible for the user-side subsidy program. Those persons using aids in Categories #2 and #3 total 8,952 persons. Some persons using aids in Category #5 might also be eligible, although the magnitude of this number cannot be determined from the information available. Those persons who are legally blind are also eligible and, as listed in Table 4-2, SEWRPC estimated that the "visually disabled" number 3,066 persons. ("Visually disabled" is likely to be an overestimate of those who are legally blind because of the inclusion of those suffering from lesser degrees of visual impairment.) Combining the estimated number of those persons using aids in Category #2, Category #3, and those who are "visually disabled" produces a rough estimate of 12,018 persons who may be considered eligible for the user-side subsidy program. It must be stressed that this estimate of program-eligible persons is based on broad categories and is drawn from SEWRPC's 1 percent sample of regional households.

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*Southeast Wisconsin Regional Planning Commission, op cit., p. 88.

TABLE 4-2. TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY DISABILITY: 1977

Disability Category	Number of Persons*	Percent of Subtotal
Stroke	4,701	13.2
Old Age	4,292	12.1
Arthritis	8,144	22.9
Visual	3,066	8.6
Impaired Trunk - Ambulatory	4,740	13.3
Impaired Trunk - Nonambulatory	2,796	7.9
Developmental Disabilities	2,825	7.9
Heart	3,605	10.2
Other	1,373	3.9
Subtotal	35,542	100.0
Not Reported	4,204	
Total	39,746	

*SEWRPC estimated these numbers by factoring up a 1 percent sample of regional households.

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

TABLE 4-3. TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY TYPE OF AID USED: 1977

Type of Aid	Number of Persons*	Percent of Subtotal
1. Cane	7,619	24.9
2. Walker, Crutches, Grab Rails, and Quad	2,047	6.7
3. Wheelchair	6,905	22.5
4. None	13,636	44.5
5. Miscellaneous	419	1.4
Subtotal	30,626	100.0
Not Reported	9,120	--
Total	39,746	--

*SEWRPC estimated these numbers by factoring up a 1 percent sample of regional households.

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

FACTORS AFFECTING PROGRAM USAGE

Some of these eligible people will not make use of the subsidy program. First, an estimated 2,200 are confined to their homes. Second, many handicapped people may be able to drive an automobile, or they may have an automobile and driver, usually a friend or relative, available to them. The SEWRPC survey inquired about the ability of disabled residents to drive and the availability of an automobile as either a driver or passenger.

The survey indicates that only 13 percent of the county's transportation-handicapped residents have an auto available to drive. Of those who did not have an auto to drive, 45 percent did have an automobile available to ride in "always" or "most of the time." These results indicate that of all the transportation-handicapped persons in the county, 46 percent never have an auto available or have an automobile only occasionally. Tables 4-4 and 4-5 list these figures.

SEWRPC also examined the ability of transportation-handicapped persons to ride in an automobile. Excluding those who are able to drive an automobile, SEWRPC found that 37.6 percent of Milwaukee County's transportation-handicapped population find it "impossible" or "difficult" to ride in an automobile. An additional 26.0 percent could ride in an auto with "some difficulty," and 36.4 percent responded that they have "no problem" riding in an auto. These findings suggest that as many as 37.6 percent of the county's transportation-handicapped residents -- those who answered "impossible" or "difficult" -- may require the use of specially equipped vans.

The SEWRPC survey also asked participants about their perceived ability to reach a bus stop. Specifically, the question asked participants if they believed they could reach a bus stop at various distances from their home. Of those persons defined as transportation-handicapped in Milwaukee County, SEWRPC estimated that 46.2 percent perceive it to be impossible to reach a bus stop. An additional 11.6 percent believe they would be able to reach a bus stop only if it were in front of their house. Given that previous studies have noted that what people perceive their physical condition to be is often different from their actual condition,* SEWRPC noted that the responses to this question may not be truly representative of the transportation-handicapped population. Table 4-6 lists the survey findings.

An important factor in providing transportation services for the elderly and handicapped is adequate marketing and promotion. Without such efforts, these groups are not cognizant of what services are available to them. In its 1977

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*For an illustration of discrepancies in self-reporting of disabilities, see Crain and Associates, Incidence Rates and Travel Characteristics of the Transportation-Handicapped in Portland, Oregon, UMTA/TSC Transit Dependent Transportation Series, Report No. UMTA-OR-06-0004-77-1, April 1977.

TABLE 4-4. TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY AUTO AVAILABLE TO DRIVE: 1977

Auto Available	Number of Persons*	Percent of Total
Yes	5,174	13.0
No	34,572	87.0
Total	39,746	100.0

TABLE 4-5. TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY FREQUENCY OF AUTO AVAILABLE TO RIDE IN: 1977

Auto Available to Ride: Frequency (among those with no auto available to drive)	Number of Persons*	Percent of Subtotal
Never	6,972	20.8
Occasionally	11,495	34.3
Most of the Time	7,631	22.7
Always	7,459	22.2
Subtotal	33,557	100.0
Not Reported/Not Applicable**	6,189	--
Total	39,746	--

*SEWRPC estimated these numbers by factoring up a 1 percent sample of regional households.

**Includes 5,174 persons who have auto available to drive.

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

TABLE 4-6. TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY PERCEIVED ABILITY TO REACH A BUS STOP: 1977

Perceived Ability to Reach Bus Stop*	Number of Persons**	Percent of Total
Impossible	16,727	46.2
Front of House	4,187	11.6
One Block	3,451	9.5
Two Blocks	11,835	32.7
Subtotal	36,200	100.0
Not Reported	3,546	--
Total	39,746	--

*Participants were asked if they believed they could reach a bus stop at these various distances. The responses indicate the farthest distance that participants believed they could reach.

**SEWRPC estimated these numbers by factoring up a 1 percent sample of regional households.

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

survey, prior to the user-side subsidy program, SEWRPC asked its sample of transportation-handicapped persons about their perceptions of the availability of special services. In Milwaukee County, 57 percent of the respondents answered that they did not believe any special transportation services were available to them. It is difficult to judge exactly what this response indicates because, in fact, the county itself offered no special services other than half-fare discounts on bus service. However, many transportation-handicapped persons were eligible for and were availing themselves of services provided by social service agencies. Many others, however, may have had no special services available to them. Therefore, one cannot judge if the large negative response to this question reflects lack of knowledge about available services or actual unavailability. It does indicate, however, that a majority of the county's transportation-handicapped residents believed that no special services were available to them.

SEWRPC's survey findings on the distribution of trips by transportation-handicapped persons by mode of travel parallel its findings on the perceived availability of special services. Less than 10 percent of all trips reported on the survey day were made by special transportation providers. The most-used mode of travel was as an auto passenger (49 percent of all trips), followed by traveling as an auto driver. Table 4-7 lists the survey results. These findings suggest that prior to the user-side subsidy program, transportation-handicapped persons relied to a great extent on other people to drive them to their desired destinations.

The SEWRPC survey also asked participants to report the number of trips they made on the survey day. Given the high day-to-day variability in tripmaking by the transportation-handicapped reported in other survey efforts, these results must be considered only a very rough measure of the actual mobility of this group. The survey found that in Milwaukee County 64.4 percent of the transportation-handicapped made no trips on the survey day. 24.2 percent made 1 or 2 trips, and 11.4 percent made 3 or more trips. These findings are generally consistent with trip rate estimates found in other surveys and indicate the limited mobility of the handicapped.

In summary, the Southeast Wisconsin Regional Planning Commission estimated that there are 39,746 transportation-handicapped persons residing in private households in Milwaukee County. The potential market for special transportation services can be considered to include those chronically and acutely disabled handicapped persons living in private households who cannot use public transit, with the exception of 2,200 individuals confined to their home. By this measure, 37,546 of the 39,746 handicapped persons in Milwaukee County may require special transportation services. Of course, many of these individuals will have a means of travel other than special services.

While SEWRPC's estimates do indicate that some handicapped persons in Milwaukee County are able to drive cars, the great majority of transportation-handicapped persons do not. Many handicapped persons are not

TABLE 4-7. PERCENT OF ALL TRIPS MADE BY TRANSPORTATION-HANDICAPPED PERSONS IN MILWAUKEE COUNTY BY MODE OF TRAVEL: 1977

Mode of Travel	Percent of Total
Auto Driver	19
Auto Passenger	49
Bus	8
Special Transportation Service	10
Taxi	1
Bike or Walk	12
Other	1
All Modes	100

SOURCE: Southeastern Wisconsin Regional Planning Commission, A Regional Transportation Plan for the Transportation-Handicapped in Southeast Wisconsin: 1978-1982, April 1978.

even physically able to ride in an automobile. Of those who are, the majority have no auto available to them when they wish to travel. Less than half of the handicapped believed in 1977 that special services were available to them, and with 65 percent of the handicapped termed "economically disadvantaged," it is unlikely that many could afford the cost of unsubsidized special services. Given these conditions, the need of Milwaukee County's handicapped residents for transportation assistance appears to have been substantial prior to the user-side subsidy program.

From the information described above, approximately 12,018 county residents are estimated to be eligible for the subsidy program (i.e., 2,047 who require a walker, crutches, grab rail, or quad; 6,905 who require a wheelchair; and 3,066 who are visually disabled). The next section of this section discusses the response of the eligible handicapped community, as exhibited by its usage rates, to the user-side subsidy program.

RESPONSE OF THE TRANSPORTATION-HANDICAPPED POPULATION TO THE USER-SIDE SUBSIDY PROGRAM

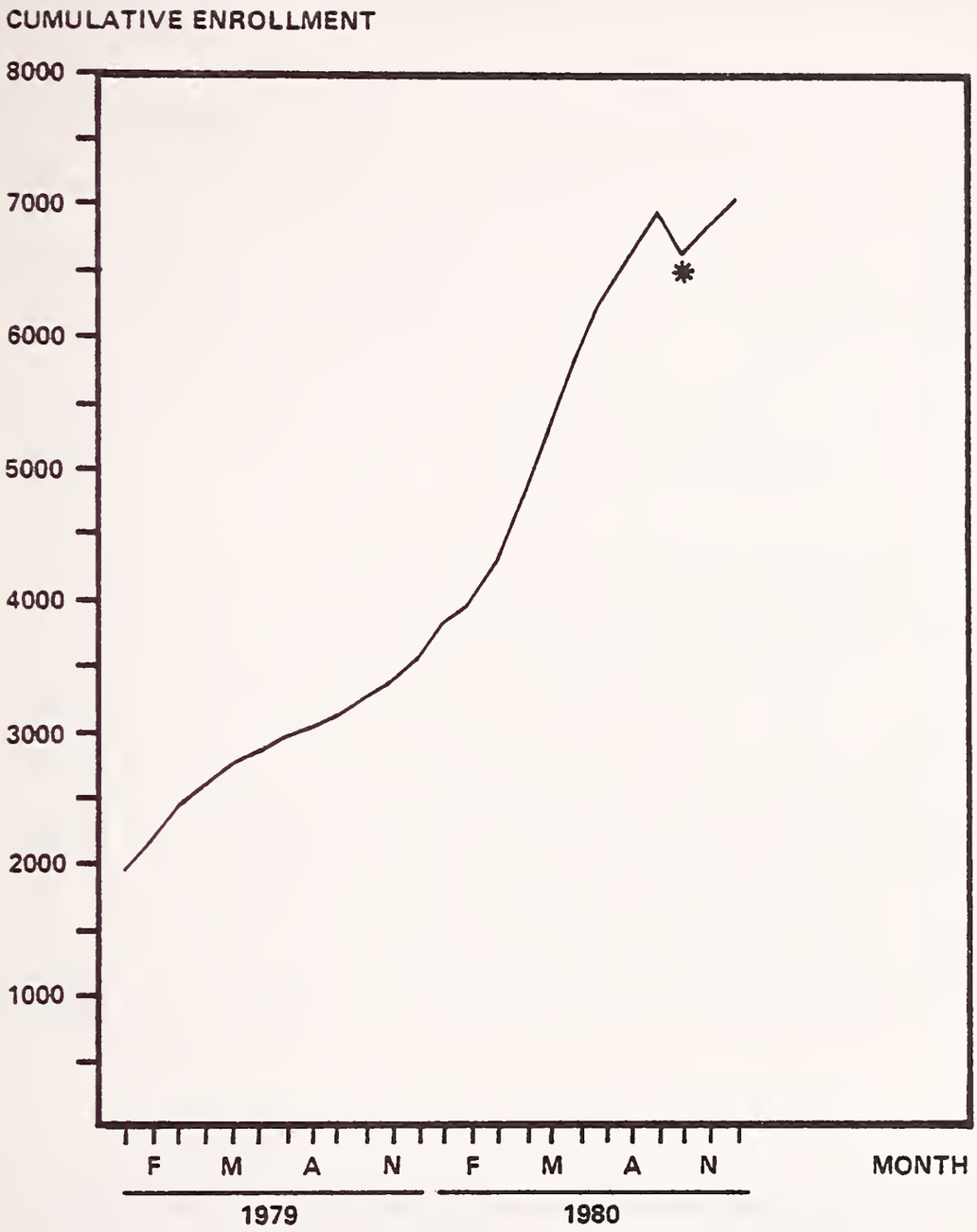
The best measure of how any group benefits from a new product or a new program is how much and in what manner the group uses it. This section describes the responses of Milwaukee County's transportation-handicapped population to the user-side subsidy program. It provides data on program enrollment and usage. It also compares program usage across user classifications, and discusses group differences in program participation and average numbers of subsidized trips per person. The section concludes with a summary of user benefits as evidenced by program usage.

PROGRAM ENROLLMENT

By the end of December 1980, 7,045 persons had registered for user-side subsidy identification cards. Of the total registrants, approximately 68 percent were persons confined to wheelchairs, 10 percent used walkers, 6 percent required the use of crutches, and 16 percent were legally blind.

Growth in program enrollment has been fairly constant, as illustrated in Figure 4-1. (Table 4-8 provides the enrollment figures.) Average monthly growth in enrollment during 1979 and 1980 was 5.3 percent per month. In absolute terms, enrollment continues to grow steadily after a quick growth in the number of registrants during the early months of the program (indicating a remaining market potential for the program).

Enrolling in the user-side subsidy program is a simple process, one that requires a minimum amount of effort by the registrant. Because all forms can



NOTE: *Adjustment for cumulative deletions from program rolls.

SOURCE: Milwaukee County User-Side Subsidy Program.

Figure 4–1. CUMULATIVE ENROLLMENT IN USER-SIDE SUBSIDY PROGRAM, BY MONTH: 1979 AND 1980.

TABLE 4-8. CUMULATIVE ENROLLMENT IN USER-SIDE SUBSIDY PROGRAM BY MONTH

Month	Cumulative Enrollment
October 1978 - January 1979	1,965
February 1979	2,190
March	2,423
April	2,605
May	2,747
June	2,864
July	2,949
August	3,052
September	3,134
October	3,259
November	3,389
December	3,543
January 1980	3,829
February	3,991
March	4,265
April	4,775
May	5,297
June	5,813
July	6,289
August	6,579
September	6,901
October*	6,638
November	6,868
December	7,045

*From January to September 1980, 263 persons were deleted from the enrollment. These deletions are accounted for in the October 1980 figure.

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

be completed at home and no visit to either a doctor or other eligibility-testing site is required, the enrollment process cannot be considered a barrier to registration.

Using SEWRPC's data on the number of transportation-handicapped persons by the types of aids they use, it was estimated above that approximately 12,018 persons are eligible for the user-side subsidy program. A portion of these individuals will have other means of travel available to them and, thus, will not need the program. In view of the categories of disabling conditions that determine program eligibility, however, the number of persons with alternative travel means is likely to be lower for these groups than for the transportation-handicapped population in general. First, disabled people included in the eligibility categories are less likely than other transportation-handicapped persons to be auto drivers. Second, many registrants are both handicapped and elderly, and may have fewer household members available to drive them. These factors indicate that a substantial percentage of those eligible for the program are likely to register.

In fact, participation in the program by the eligible population is high. Enrollment in the user-side subsidy program in December 1980 was 7,045 persons. Dividing this number into the estimated number of eligible persons results in a "participation rate" of 59 percent by the eligible population.

If one conservatively assumes that only 20 percent of the eligible population have alternative methods of travel (compared to 46 percent for the entire transportation-handicapped population), that is, if they have no need for the program, this "participation rate" increases to 73 percent. Considering only those confined to wheelchairs, approximately 4,790 persons have enrolled in the program. SEWRPC estimated that in 1977, 6,905 persons in the county were confined to wheelchairs, suggesting that as much as 69 percent of this group hav enrolled in the program. These rough estimates of participation suggest that the program has been highly successful in reaching those persons for whom it was intended.

PROGRAM-SUBSIDIZED TRIPS

During 1979 and 1980, trips taken under the sponsorship of the user-side subsidy program grew faster than enrollment. This growth in trips is the result of some individual registrants making more trips each month over time, probably because they have become accustomed to the service and to trip-taking procedures. Table 4-9 lists the number of trips sponsored by the program each month since January 1979. As of late 1980 and early 1981, the program subsidized approximately 14,000 trips monthly.

During a few months, total program-sponsored trips declined slightly. Fluctuations such as these are a common feature of the demand for all

TABLE 4-9. NUMBER OF USER-SIDE SUBSIDY TRIPS: 1979 AND 1980

1979		1980	
Month	Trips	Month	Trips
January	2,623	January	7,986
February	4,409	February	8,214
March	5,251	March	9,267
April	4,848	April	10,075
May	5,869	May	10,971
June	5,437	June	11,263
July	5,341	July	10,092
August	5,663	August	12,698
September	6,011	September	12,432
October	7,307	October	14,958
November	7,505	November	14,378
December	7,605	December	14,436
1979 Total	67,869	1980 Total	136,770

SOURCE: Milwaukee County User-Side Subsidy Program.

transportation services. Often, these fluctuations are seasonal. However, the slight decrease in tripmaking during June 1979 coincides with the institution of maximum subsidy limits. If these limits had an effect on tripmaking, it appears to have been only a temporary, minor one. By mid-1979, total tripmaking began to grow as it had prior to the establishment of subsidy limits.

Figure 4-2 illustrates the growth in tripmaking during 1979 and 1980 by each category of users. Trips made by persons confined to wheelchairs constitute the majority of program trips. Trips by all categories of users have increased over the two-year period at an average monthly rate of 7.7 percent, although in absolute terms, trips made by persons confined to wheelchairs and those who are legally blind have increased the most. Table 4-10 lists the number and percentage of total subsidized trips taken by each group of users in 1979 and 1980.

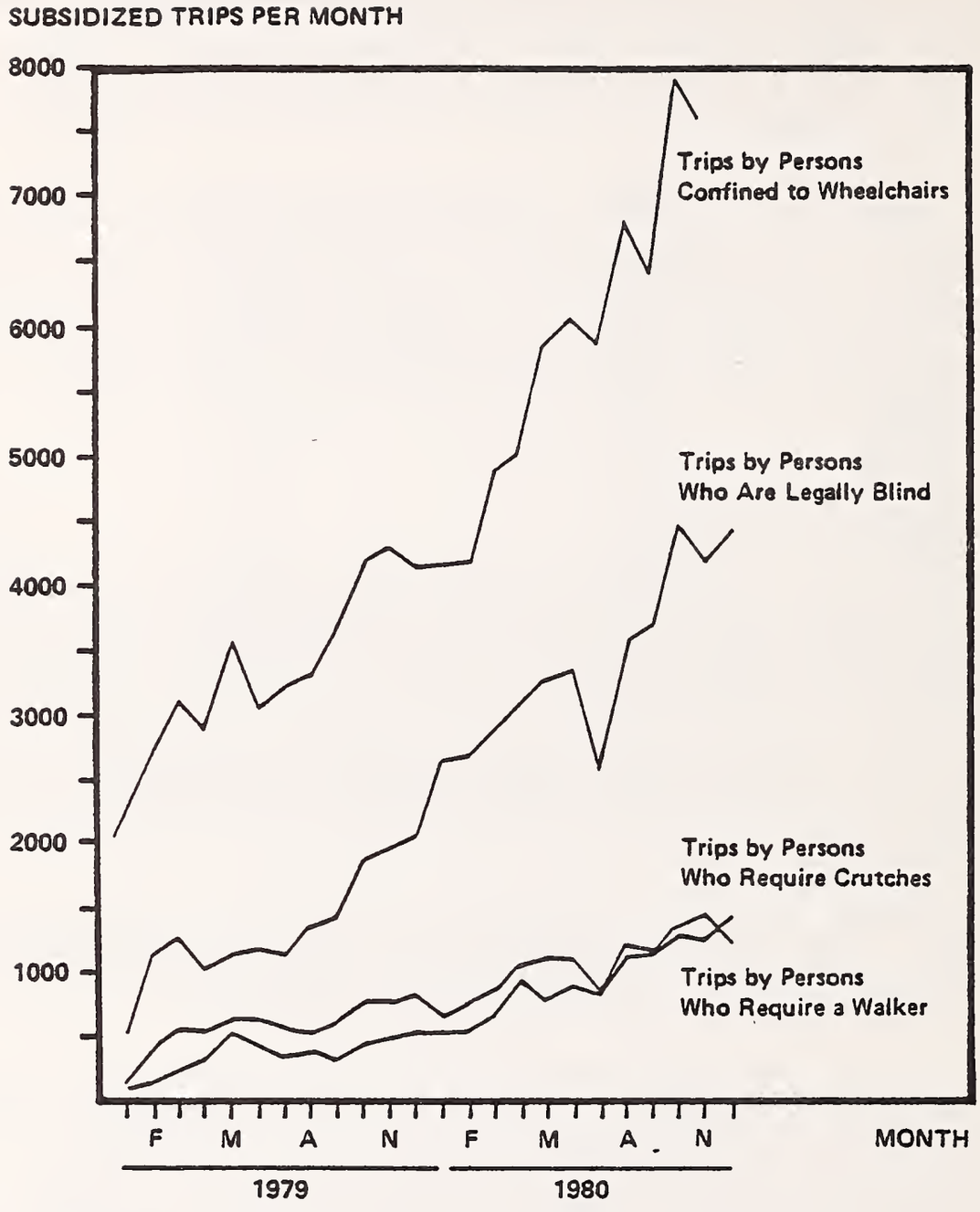
THE COST OF SUBSIDIZED TRIPS

Two parties bear the cost of trips provided under the user-side subsidy program: the program itself and the user. The county has established a limit on the maximum subsidy per trip that will be provided. These limits place a ceiling on the county's per-trip cost, but because individuals may use the program as often as they wish, total subsidy expenditures are not fully restrained. The county required users to pay $1.00 per trip until the beginning of 1981, when the county raised the user fee per trip to $1.50. Users must pay more if their trips cost more than the minimum user fee plus the maximum subsidy.

Table 4-11 provides the amount and percentage of total subsidy costs by user classification. These figures indicate only the program subsidy; they do not include costs paid by users. In 1979, the cost of providing subsidies was $462,521. In 1980, this cost grew 103 percent to $940,976.

The distribution of trip subsidies among user groups remained surprisingly constant during 1979 and 1980, with persons confined to wheelchairs receiving the largest portion of the subsidies, over 65 percent in both years. Users who are legally blind received the next largest portion of subsidies, followed by those who require crutches and those who require a walker. This distribution corresponds to the estimated incidence rates of each group in the population, with those persons confined to wheelchairs being the largest of the four user groups. Wheelchair users receive a larger percentage of subsidy funds than their percentage of total trips. This difference is due to the higher cost of trips for nonambulatory registrants.

Table 4-12 lists the amount and percentage of total trip costs by user group. Total trip cost includes both subsidy cost and user cost. In 1979, total trip costs were $550,940. In 1980, total trip costs grew by 102 percent to $1,113,451.



SOURCE: Data Supplied by Milwaukee County User-Side Subsidy Program.

Figure 4–2. SUBSIDIZED TRIPS PER MONTH, BY USER CLASSIFICATION

TABLE 4-10. NUMBER AND PERCENT OF TOTAL SUBSIDIZED TRIPS BY USER CLASSIFICATION: 1979 AND 1980

User Classification		1979 Subsidized Trips	1980 Subsidized Trips
Require Wheelchair	Number	40,030	71,963
	Percent of Total	59.0	52.6
Require Walker	Number	4,374	11,296
	Percent of Total	6.4	8.3
Require Crutches	Number	7,204	12,859
	Percent of Total	10.6	9.4
Legally Blind	Number	16,261	40,652
	Percent of Total	24.0	29.7
All Users	Number	67,869	136,770
	Percent of Total	100.0	100.0

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

TABLE 4-11. COST AND PERCENT OF TOTAL SUBSIDIES BY USER CLASSIFICATION: 1979 AND 1980

User Classification	1979 Subsidy Cost		1980 Subsidy Cost
Require Wheelchair	Cost	$323,435	$626,147
	Percent of Total	69.9	66.5
Require Walker	Cost	23,732	54,421
	Percent of Total	5.1	5.8
Require Crutches	Cost	37,080	64,406
	Percent of Total	8.0	6.9
Legally Blind	Cost	78,274	196,002
	Percent of Total	17.0	20.8
All Users	Cost	462,521	940,976
	Percent of Total	100.0	100.0

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

TABLE 4-12. COST AND PERCENT OF TOTAL TRIPS BY USER CLASSIFICATION: 1979 AND 1980

User Classification		1979 Trip Cost	1980 Trip Cost
Require Wheelchair	Amount	$380,548	$718,886
	Percent of Total	64.5	64.5
Require Walker	Amount	29,008	68,690
	Percent of Total	6.2	6.2
Require Crutches	Amount	45,262	81,589
	Percent of Total	7.3	7.3
Legally Blind	Amount	96,122	244,586
	Percent of Total	22.0	22.0
All Users	Amount	550,940	1,113,751
	Percent of Total	100.0	100.0

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

The distribution of total trip costs among user groups is very similar to the distribution of total subsidy costs. As before, the percentage of total subsidies accruing to persons confined to wheelchairs is larger than the group's share of total trip costs. This difference is due to the larger subsidy limit the program has established for wheelchair users and the fact that all users pay the same user fee. As noted earlier, this larger maximum subsidy is provided to wheelchair users to account for either the $3.00 surcharge imposed by taxis serving those persons confined to wheelchairs, or the higher rates charged by van companies.

As indicated in the last column of Table 4-13, the total cost per trip in 1979 and 1980 was essentially the same -- $8.12 and $8.14, respectively. The subsidy per trip was only slightly higher (by $0.07) in 1980, while the portion paid by users declined in 1980 by $0.05. These changes in the average cost per trip indicate that individual participants are using the program in much the same way in both years They do not appear to be making longer trips or choosing to pay more than is necessary under the program.

In fact, the stability of the portion of trip costs paid by the user is rather striking. During the first half of 1979, users paid a $1.00 fee but were not restrained by a maximum subsidy limit. Users therefore were able to go wherever they wished in the county for $1.00. In June 1979, the program imposed maximum subsidy limits. If this subsidy limit had severely affected some people, one would expect that users would have paid a greater amount themselves after their imposition. To some extent, users did indeed begin to pay more of the trip cost. During the second half of 1979, the average user payment was $1.45. During 1980, however, the average user payment decreased to $1.26, suggesting that, on average, users did adjust to the subsidy limits and preferred to pay as little as necessary. (Please note that users did not have to pay the first $1.50 of the fare until January 1, 1981.)

By looking at the per-trip costs by user groups, listed in Table 4-13, one can gain a better understanding of the impact of the maximum subsidy limits. The maximum subsidies established in June 1979 were $10.00 for those confined to wheelchairs and $7.00 for others. Prior to June 1979, the average total cost for trips taken by persons confined to wheelchairs was $9.68. During the second half of 1979, the average total cost for this group had declined only slightly to $9.51. In 1980, the average total cost for trips by persons confined to wheelchairs was $9.99. These figures indicate that the maximum subsidy limits were set high enough to have very little effect on the average user, and probably affected only those persons making very long trips. Under the maximum subsidy limits, a participant may travel 7.25 miles by taxi. If, as company representatives contend, chair-car companies take participants anywhere in the county for the maximum subsidy plus the user fee, then the effective distance for chair-car trips was not changed by the limits.

As shown in Table 4-13, the amount of user payment varies only slightly among user groups. In 1979, wheelchair users paid 9 percent more ($0.12) than

TABLE 4-13. DISTRIBUTION OF TRIPS, SUBSIDIES, AND TOTAL COST AMONG USER CLASSES: 1979 AND 1980

	1979 User Classification				
	Wheelchair	Walker	Crutches	Blind	All Users
Percent of Total Trips	59.0	6.4	10.6	24.0	100.0
Percent of Total Subsidy	69.9	5.1	8.0	17.0	100.0
Percent of Total Trip Cost	69.1	5.3	8.2	17.4	100.0
Cost per Trip	$9.51	$6.63	$6.28	$5.91	$8.12
Subsidy per Trip	8.08	5.43	5.15	4.81	6.81
User Payment per Trip	1.43	1.20	1.13	1.10	1.31

	1980 User Classification				
	Wheelchair	Walker	Crutches	Blind	All Users
Percent of Total Trips	52.6	8.3	9.4	29.7	100.0
Percent of Total Subsidy	66.5	5.8	6.9	20.8	100.0
Percent of Total Trip Cost	64.5	6.2	7.3	22.0	100.0
Cost per Trip	$9.99	$6.08	$6.35	$6.02	$8.14
Subsidy per Trip	8.74	4.82	5.01	4.82	6.88
User Payment per Trip	1.25	1.26	1.34	1.20	1.26

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

the average user per trip. In 1980, this group paid only an average amount. No group of users, therefore, has been willing to pay for substantially longer trips than those funded under the program.

TRIP PURPOSE AND TRIP FREQUENCY

Some data on the purpose of individual subsidized trips are available for 1981. Although slight month-to-month fluctuations are present in the small sample of months obtained, medical trips represent the largest trip category (about 19 percent), followed by trips for social and recreation purposes (17 percent). Trips for employment purposes constitute 15 percent of all trips, personal business trips total about 15 percent, shopping trips 8 percent, and education trips 5 percent. Nutrition trips constitute a very low proportion of all user-side subsidy trips (less than 1 percent), due to the provision of such transportation by social service agencies, the sponsors of many nutrition programs. It should be noted that the handicapped community in Milwaukee County has been strongly opposed to trip prioritization of any type, including by trip purpose.

These trip purpose statistics indicate a number of important aspects of the programs. First, medical trips taken under the program total 19 percent of all trips. This percentage is similar to or smaller than the percentage of medical trips noted in other user-side subsidy programs.* It suggests that participants may be taking many medical trips under the sponsorship of the Title XIX program, as they are requested to do, instead of under the user-side subsidy program. Second, only a tiny fraction of program trips are for nutrition purposes, a trip type offered by human service agencies. It therefore seems unlikely that agencies are transferring the cost of providing this type of trip to the user-side subsidy program. Finally, the percentage of work trips sponsored by the program is high (15 percent) in comparison to other programs.** This indicates that participants do not find the program capacity constrained and that the subsidy is sufficient to make program-sponsored travel a realistic commuting alternative for some people.

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*In Seattle, Washington, the user-side subsidy program provides 59 percent of its trips for medical purposes. In Montgomery, Alabama, the user-side subsidy program provided 20 percent of its trips for medical purposes. See Crain and Associates, A Taxi Scrip Program in Seattle, Washington, prepared for the U.S. Department of Transportation, Transportation Systems Center, December 1981; and Charles River Associates, User-Side Subsidy Demonstration Project: Montgomery, Alabama, prepared for the U.S. Department of Transportation, Transportation Systems Center, April 1982.

**In Seattle, 3.0 percent of all user-side subsidy trips are for work or school purposes. In Montgomery, 3.5 percent of all trips were for work or school purposes. See references above.

Usage rates, defined as the average percentage of total registrants who use the program in any month, vary among user groups. As shown in Table 4-14, those registered persons who require the use of crutches and those who are legally blind are the most active registrants. In these groups, 42 percent of those who enroll in the program actually use it to travel. Among those who require a walker, 30 percent of those enrolled use the program in an average month. Among those who require a wheelchair, only 25 percent of those enrolled use the program on average in any month.

Among those who use the program, the frequency with which individuals take subsidized trips can be calculated using information compiled by the county on the number of unduplicated users. As also indicated in Table 4-14, those persons who require crutches make the greatest number of trips per person -- 8.1 trips per user per month. Persons who require a wheelchair and those who are legally blind make 6.8 trips per person, and those who require a walker make significantly fewer -- 5.1 trips per person. These differences in trip frequency may be a reflection of age differences. Those who require the use of a walker are generally elderly and, hence, less mobile. Many of those who need crutches to ambulate are acutely disabled, and may be younger than the average chronically disabled person. No evidence is available to corroborate this hypothesis of a link between user age and the frequency of program usage because the program does not compile data on the age of registrants.

USE OF HARDSHIP REIMBURSEMENTS

Program participants are eligible for hardship reimbursements if they pay more than $10.00 in excess of the maximum limits for medical, employment, and/or educational trips in a two-week period. Use of hardship reimbursements has been very limited, and only $10,795 has been reimbursed to participants in the 17-month period between August 1978 and December 1980. Table 4-15 lists the amounts of monthly hardship reimbursements.

SUMMARY

The Milwaukee User-Side Subsidy Program offers substantial benefits to the transportation-handicapped through its dramatic reduction in the per-trip cost of travel and its stimulation of a competitive environment among transportation providers. The program has reached a large percentage of the potential market for the service among those groups who are eligible. Response to the program has been particularly strong among those persons confined to wheelchairs, although many registrants do not use the program actively. The program is used for all trip purposes, with medical trips

TABLE 4-14. AVERAGE AND RANGE OF USAGE RATES IN USER-SUBSIDY PROGRAM BY ENROLLED PERSONS: 1979

User Classification	Usage Rate (Percent) Average*	Usage Rate (Percent) Range**	Average Number of Trips per Person***
Require Wheelchair	25	20-28	6.8
Require Walker	30	20-38	5.1
Require Crutches	42	36-51	8.1
Legally Blind	42	15-56	6.8

*Average usage rate is calculated as an average for all months in 1979 of the number of unduplicated users in a month in each user classification category divided by the total number of persons in that category enrolled in the program during the same month.

**The range represents the lowest and highest usage rates for that category of users in any month during 1979.

***Calculated for 1979 as total number of trips each month divided by number of unduplicated users, averaged over twelve months of 1979.

SOURCE: Milwaukee County User-Side Subsidy Program, and Charles River Associates Incorporated, 1981.

TABLE 4-15. USER-SIDE SUBSIDY PROGRAM HARDSHIP REIMBURSEMENTS BY MONTH

	Hardship Participants		
Month	Number of Reimbursed Trips	Number of Participants*	Cost
August 1979**	n.a.***	10	$ 350
September	n.a.	19	861
October	n.a.	27	1,263
November	n.a.	39	1,701
December	n.a.	21	1,022
January 1980	14	24	1,376
February	10	17	828
March	7	13	554
April	7	12	416
May	7	11	582
June	8	18	706
July	3	5	94
August	4	6	239
September	6	9	466
October	4	6	225
November	3	6	155
December	4	5	97
Total	n.a.	248	$10,935

*Unduplicated users.

**Hardship reimbursements were instituted in August 1979.

***n.a. - not available.

SOURCE: Milwaukee County User-Side Subsidy Program.

constituting the largest category, although far from the majority, of trips. Maximum subsidy limits instituted by the county in mid-1979 appear to have been set high enough so as not to affect average tripmaking under the program.

The first portion of this section summarized SEWRPC estimates on the incidence and characteristics of the transportation-handicapped population. SEWRPC's estimates indicate a great need for special transportation services in the county. Response to the user-side subsidy program, described in the second section, confirms this indication of need. The program has reached many handicapped persons in the county and has provided a transportation service that has become what the County Executive's Task Force called "a vital lifeline" for eligible handicapped county residents.

The county's decision to limit eligibility to a few categories of disabilities as defined by the use of specific aids was an attempt to control the growth of the program until the demand for transportation subsidies could be assessed. After two years of experience with user subsidies, the county is now in a position to reconsider its earlier decision and to explore the needs of other transportation-handicapped persons. Serving these other groups will present a more complex challenge than serving currently eligible groups, particularly because eligibility may not be readily apparent.

The user-side subsidy program can be said to have met its own goal of providing transportation service to those confined to wheelchairs, those who require a walker or crutches, and those who are legally blind. Until the needs of remaining groups are addressed, however, the program does not completely meet the goals of the state's 85.08 (5) funding program, which is intended to afford "the benefits of transportation to the elderly and handicapped who would not otherwise have an available or accessible mode of transportation." The next step for the county is to assess the costs of meeting this more broadly-defined goal.

5

CONCEPT FEASIBILITY AND TRANSFERABILITY

Preceding sections have explored the administrative arrangements and cost of the Milwaukee County User-Side Subsidy Program, its effect on the local paratransit industry, and its usage by the county's handicapped population. This section summarizes the program's features and results from two perspectives. The first is that of concept feasibility, defined as the degree to which the program meets the goals that have been set for it. The second perspective is that of concept transferability.

Assessing concept feasibility is complex because many goals can be set by many groups for an assistance program such as the user-side subsidy program. The program goals set forth by three groups relevant to the Milwaukee County program are discussed here. These groups are the establishing committee, the state 85.08 (5) program, which provides about 40 percent of the program's funds, and those nationally who favor user-side subsidies. This third group includes those who support the general hypotheses about the user-side concept commonly set forth in the literature.*

Assessing concept transferability requires identifying the conditions under which a program can be transferred to another site with similar results. This requires as a precondition understanding the environment under which the program is originally administered as well as the details and results of the original program.

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*See, for example, Bruce D. Spear, User-Side Subsidies: Delivering Special Needs Transportation Through Private Providers, U.S. Department of Transportation, Transportation Systems Center, June 1981.

CONCEPT FEASIBILITY

GOALS SET BY THE ESTABLISHING COMMITTEE

As noted in Section 1, the main goals of the county committee that established the user-side subsidy program were: 1) to provide general transportation assistance to as many handicapped people as possible given available funding; and 2) to hold administrative complexity and costs to a minimum. The committee defined guidelines to meet these goals. First, only well-defined specific groups would be eligible for assistance. Second, use of transportation assistance by those eligible would be limited by the county to the least extent possible. The committee was most concerned for those groups that could not use regular fixed-route public transportation.

The program appears to have met its first goal -- providing general transportation assistance to as many of the handicapped as possible given available funding. The county does not limit assistance to certain trip purposes or to a certain number of subsidized trips. Maximum subsidy limits are set high enough so that registrants can travel to a wide variety of destinations. (The present limits may have an effect in the future, however, if providers raise their fares.) Among those groups eligible for assistance, an estimated 59 percent have enrolled in the program. While all those enrolled do not use the program regularly, it is actively used by some with over 14,000 monthly trips currently being subsidized.

The mobility benefits from an assistance program can be measured in two ways. First, the program can lower the cost of travel by a handicapped person in terms of money, time, and/or effort. Second, it can increase the number of trips taken by a handicapped person. Milwaukee County's User-Side Subsidy Program has, at a minimum, certainly lowered the cost of travel to users. Service quality has improved and the monetary cost of using special transportation services has decreased dramatically for users. Because this case study did not involve user surveys, it is not known if program registrants have increased the number of trips they make because of the subsidy program. Information on the trip purposes of subsidized trips indicates that much of the travel sponsored by the program is of a discretionary nature, such as recreation trips. Because these trips are usually not eligible for funding under other assistance programs and because unsubsidized special services are expensive, the presence of this type of trip among program-sponsored trips may indicate that some new trips are being made by program participants. The extent to which new tripmaking is occurring cannot be determined, however.

The program has also had success in meeting its second goal -- holding administrative complexity and cost to a minimum. Eligibility testing, the

enrollment process, and provider contracts are administratively simple. Consequently, the program spends only about 12 percent of its budget for administrative activity.

Meeting these two goals has involved specific tradeoffs, in that the county has forsaken other possible goals for the program. First, while eligible groups are served well by the program, other transportation-handicapped residents, such as the mentally handicapped and semi-ambulatory, do not receive any assistance. Second, administrative procedures are simple, and hence minimized, but program funds may be subsidizing trips eligible for funding under other programs. Serving all persons unable to use fixed-route transit could be costly. Developing administrative procedures to allocate trips to appropriate funding sources could be costly as well. The county is currently studying the degree to which better allocation of trips to funding sources could conserve program funds and if these conserved funds are adequate to provide assistance to additional groups.

GOALS OF THE STATE 85.08 (5) PROGRAM

The state's 85.08 (5) program is intended to provide transportation assistance to all persons unable to use existing public transportation resources. It is intended to make public transportation accessible not only physically but financially as well, and has, therefore, been developed as a grant rather than a capital assistance program for counties.

Milwaukee County has been very creative in its use of 85.08 (5). It has developed an assistance program for handicapped persons that lowers the cost of accessible service dramatically. The program, through its stimulation of industry expansion, also seems to have improved the capital resources available to those requiring special transportation service. Several chair-car companies have initiated service since the inception of the user-side subsidy program. More paratransit vehicles are available for longer hours of operation than there were before the program was initiated. It is unlikely that these changes would have occurred without the program. For example, other funding sources, particularly Title XIX, restrict their assistance to special trip purposes, the most common being medical trips taken during limited hours.

Although it has enjoyed considerable success in meeting the goals of the 85.08 (5) program, the county does not provide assistance to all those unable to use fixed-route service. The county has shown a strong commitment in administering what was intended to be a 90 percent state-share program in that county funds now constitute more than half of the user-side subsidy budget. Nevertheless, the county is not yet providing assistance to all persons for whom fixed-route service is inaccessible. In addition to the eligible categories for the program, these persons include the mentally handicapped, those who require use of a cane, and those with weak hearts, among others.

GOALS RELATED TO THE USER-SIDE SUBSIDY CONCEPT

Many transportation researchers believe that user-side subsidies have a number of advantages when compared to provider-side subsidies. Because user-side subsidy programs retain the right of a consumer to choose a provider, these researchers believe user subsidies stimulate competition among providers, thereby improving service quality. Another advantage is that they can be targeted to specific individuals, thus minimizing the amount of funds given to those for whom no assistance is intended.

While these advantages, if realized, can be significant, researchers point out that user-side subsidies may be costly to administer. Identifying and certifying eligible individuals may consume considerable administrative resources. Contracting with and accounting for service provided by numerous suppliers may also be costly. User-side subsidies can, therefore, only be considered superior to provider-side subsidies if the additional administrative costs of a user-side program are outweighed by the benefits of more efficient targeting of aid and the resulting supply improvements.

Milwaukee County's User-Side Subsidy Program does appear to have stimulated competition among paratransit providers, particularly chair-car providers. Carriers are aware of program participants' ability to "shop around" and they attempt to differentiate their services from those of other providers. While new paratransit companies and longer operating hours may have appeared under any type of assistance program simply as the result of the tremendous realization of demand created by the program, it is unlikely that other forms of assistance would have fostered service improvements such as stopping en route or customer evaluations. Furthermore, chair-car carriers have held their fares at the maximum subsidy level (even for long-distance trips, for which they may currently charge a higher fare), and this indicates a type of competition not present under a provider-side program, in which deficits usually are guaranteed to be made up by the subsidizing agency.

The user-side subsidy concept allows subsidies to be targeted to specific groups. Milwaukee County's program targets its assistance on the basis of specific eligibility criteria. The program minimizes the amount of assistance funneled to other groups by requiring registrants' disabilities to be verified by a doctor or social service agency. While this process is open to fraud, it does provide a mechanism for limiting access to assistance.

Another feature of the Milwaukee County User-Side Subsidy Program that limits access to program benefits involves the program's relationship with carriers. Under the program, carriers compete with each other partly on the basis of fares. If one company raises its fare schedule, other companies may follow or may instead use the opportunity to gain a larger market share. When providers are subsidized directly, this type of competition is not present and there is little incentive for the provider to control costs and, hence, fares.

Milwaukee County has designed its program to obtain the desirable advantages of the user-side subsidy concept while remaining administratively simple. As mentioned above, only 12 percent of the program budget is spent for administrative activities. This percentage compares favorably to other user-side programs that have been instituted nationally. Administrative costs totaled 20 percent of program funds in the Seattle, Washington user-side subsidy program, 35 percent in the Kansas City, Missouri program, 38 percent in the Lawrence, Massachusetts program, 43 percent in the Kinston, North Carolina program, 53 percent in the Montgomery, Alabama program and 16 percent in the Danville, Illinois program.*

Milwaukee County's administrative simplicity is possible because of a few conditions unique to the program. First, those groups currently eligible are not difficult to define or test for eligibility, and the criteria are largely self-enforcing. A social service agency can reasonably be relied upon to certify that an individual uses specific aids or is legally blind. The criteria are self-enforcing in that eligible disabilities are readily apparent and could be "faked" only with some discomfort. More complex definitions of eligibility would require more complex testing and higher administrative expenses for such activities. Second, to date, the program has not been prompted to devise a method of allocating trips to the appropriate sponsor. If the program continues to grow rapidly or if more evidence of inappropriate trip allocation appears, the county may decide that the cost of subsidizing these trips is more troublesome than developing a method of allocating them. Any allocation procedures developed will increase administrative costs.

In sum, the user-side subsidy concept as implemented by Milwaukee County appears to have realized handsomely the advantages often claimed for this form of assistance. Competition has stimulated improved service. Aid to unintended recipients is minimized. Administrative costs constitute a small portion of the program budget. The possibility of higher administrative costs, noted above, does not cloud the program's success. Presumably, the combined benefits of improved target efficiency and/or coverage would outweigh the cost of additional administrative activity.

CONCEPT TRANSFERABILITY

The preceding paragraphs have highlighted some of the key features of the Milwaukee County program and the reasons for its success in meeting many of the goals set for it. This section reviews those program features that another locality, planning a similar program, may wish to consider.

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*See Bruce D. Spear, op cit., p. 11.

SIMPLE ADMINISTRATIVE MECHANISMS

One major reason for the user-side subsidy program's low administrative cost is that Milwaukee County relies on personal physicians and social service agencies to verify eligible subsidy applicants. Reliance on the free services of these agencies is possible only if the eligibility criteria are not complex and verification consists of a simple declaration rather than testimony concerning functional abilities. Administration is further simplified by the county's eligibility criteria applying only to readily apparent disabilities -- those requiring use of specific aids or legal blindness. This readily apparent character helps to minimize fraud and to bypass strict eligibility testing and photo I.D. cards. Localities desiring to offer assistance to handicapped individuals based on definitions of eligibility more complex than those used by Milwaukee County will most likely encounter higher administrative costs. The use of photo I.D. cards alone can be very costly relative to the present Milwaukee administrative budget.

Another reason for the Milwaukee County program's low administrative cost is the method used to limit assistance. The county has placed a limit only on the maximum allowable subsidy per trip. Providers, not program staff, enforce the subsidy limits as they calculate a passenger's fare. The program itself only checks vouchers to ensure that providers calculate fares correctly. Programs that involve other types of limits, such as income guidelines, subsidies limited to specific trip purposes, etc., will have higher administrative costs than the Milwaukee County program.

The program's administrative mechanisms also minimize bookkeeping costs for providers. Program vouchers are sent back to the user-side subsidy program staff to serve as records for all trips provided. Other assistance programs, including Title XIX, require the carrier to complete a trip record and a payment request for each trip. The simplicity of the user-side subsidy procedures eases the accounting burden for providers. This should reduce any upward pressure accounting costs place on carrier rates. Unfortunately, the ease of user-side subsidy administrative procedures also gives carriers an incentive to allocate to the user-side program trips that may be eligible for other funding.

CAREFULLY DEFINED TARGET GROUP

Eligibility for the Milwaukee County program is limited to a carefully defined target group. This group, consisting of those persons requiring a wheelchair, walker, or crutches and those who are legally blind, includes those members of the handicapped community who are most likely to need special services. Consequently, the participation rate for eligible persons in the program is comparatively high: an estimated 59 percent.

The majority of user-side subsidy programs nationally have extended eligibility to a far broader target group, the entire handicapped population

and the elderly.* Many handicapped and elderly individuals do not need special transportation services as many are auto drivers, have someone to drive them, or are able to use fixed-route transit. Consequently, programs with broad eligibility exhibit low participation rates. In Seattle, Washington, 13 percent of the eligible population registered for the user-side subsidy program. In Lawrence, Massachusetts, 38 percent registered. In Danville, Illinois, 47 percent registered and in Kansas City, Missouri, 14 percent registered. At these sites, the subsidy programs attracted those individuals most transit dependent and most in need of subsidized services. Eligible individuals with other means of transportation took few, if any, subsidized trips.** Defining the target group for the services more narrowly at those sites, therefore, may have increased measured participation without cutting off needy individuals.

Besides achieving the cosmetic goal of higher participation rates, narrowly defined program eligibility serves a useful purpose in Milwaukee County. Narrow eligibility focuses program resources on those people most likely to need special transportation services. As a result, these people can be served more fully with few restrictions on their use of the program. For these people, the subsidy program offers many of the same characteristics of fixed-route transit -- low user cost, no limit on frequency of use, and, for those who use taxis, no advance reservation requirement. Although the county's per-trip limit restrains the distance one can travel, these limits appear, on average, to have had little effect on actual tripmaking by participants. Thus, the Milwaukee County User-Side Subsidy Program is perhaps the best example to date of a special transportation program with characteristics comparable to fixed-route transit.

PER-TRIP LIMITS

An important reason why the Milwaukee County program is able to serve the eligible population in this manner is that the program relies on per-trip limits rather than monthly-purchase limits to restrain program liabilities. Unlike monthly-purchase limits, per-trip limits do not restrain the number of subsidized trips per individual. As with fixed-route service, per-trip limits allow the individual to decide the frequency with which he or she wishes to travel. Monthly-purchase limits, in contrast, can be used to provide transportation assistance to any group, but are indiscriminate of those who need it most and who would, therefore, take maximum advantage of the assistance. In combination with a narrowly defined target group, per-trip limits can be successfully used to restrain program costs while providing meaningful transportation assistance to severely mobility-restricted people.

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*See Bruce D. Spear, op cit., p. 2-3.

**Bruce D. Spear, op cit., p. 19.

SIZE OF SERVICE AREA

Nationally, many user-side subsidy programs rely on the size of their service areas to act as per-trip subsidy limits. Jurisdiction boundaries are an effective limit when the jurisdiction is small. This has been the case in a number of user subsidy programs including those in Danville (12.9 square-mile service area); Montgomery (46.4 square miles); Kinston (6.1 square miles); and Lawrence (6.8 square miles).*

Jurisdictions covering large areas cannot use jurisdiction boundaries alone to restrain subsidy costs. These larger jurisdictions have developed a number of alternative mechanisms. As discussed above, Milwaukee County, which covers 237 square miles, instituted per-trip subsidy limits. In Seattle, Washington, the user-side subsidy program has used adjustments in the rate of subsidy to control program costs. (In September 1981, Seattle's Special Transportation Service Program reduced its subsidy from 60 percent of the regular taxi rate to 50 percent.)**

In Pittsburgh, the Port Authority of Allegheny County offers a 75 percent discount to severely-handicapped users of its ACCESS system. ACCESS is a transportation broker providing accessible, advance-reservation service to a 729 square-mile area. The Port Authority has periodically restrained the growth of its subsidy costs by adjusting ACCESS' zone-based fare schedule.*** These examples illustrate the variety of administrative mechanisms that can be employed by user-side subsidy programs in large jurisdictions.

FAVORABLE SUPPLY CONDITIONS

The presence of existing suppliers was an important element in Milwaukee County's ability to utilize user-side subsidies as the form of its transportation assistance. Capital resources for providing special services were already available. Taxi companies operate in most cities but chair-car companies are not available everywhere. Without existing chair-car providers, a locality may have to allow a period of adjustment during which paratransit providers are organized.

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*Bruce D. Spear, op cit., p. 2-3.

**Crain and Associates, A Taxi Scrip Program in Seattle, Washington. Prepared for the U.S. Department of Transportation, Transportation Systems Center, December 1981.

***ACCESS Monthly Progress Reports. Under contract to the Transportation Systems Center, Charles River Associates is evaluating the ACCESS program, which is a Service and Methods Demonstration Project.

To stimulate competition among providers, there must be more than one provider operating. Immediately prior to the user-side program, only one chair-car company was operating in Milwaukee County. Other companies probably would have formed, however, because of business opportunities generated by Title XIX-sponsored trips. With the user-side subsidy program, a number of firms appear to be prospering and competing with each other for subsidized customers.

Competition between chair-car companies and taxi companies also has been an important element in ensuring high-quality service in Milwaukee. Chair-cars and taxis can serve many of the same customers. Chair-cars have higher fare schedules and require advance reservation but offer a greater degree of customer service than taxis. Taxis do not require drivers to provide door-through-door service but offer demand-responsive service and have lower fare schedules. Competition between the two types of providers can help to keep service quality high while restraining chair-car fares.

ANTICIPATED PROGRAM GROWTH

Milwaukee County anticipated rapid growth in the demand for subsidized trips. To control this growth initially, the county made the program available only to persons confined to wheelchairs. When the program expanded eligibility, demand for program resources grew rapidly, requiring county supplements to state funds. Currently, the county controls program growth only through maximum subsidy limits. Additional people continue to enroll and use the subsidy program. A high percentage of those people in eligible groups have already enrolled, however, indicating that the rate of program growth may decline in the future. Other localities deciding to offer paratransit subsidies to the handicapped that significantly lower the price of these services while keeping enrollment procedures simple should also anticipate a high level of demand by eligible people.

SUMMARY

In conclusion, Milwaukee County's experience in providing user-side subsidies to transportation-handicapped citizens appears to be highly successful, as measured by the program's achievement of the goals set for it. The program serves as a valuable case study for other localities on the results of instituting various administrative mechanisms and procedures. It also illustrates important considerations about supply conditions and program growth. Milwaukee County's experience, therefore, should help others anticipate and meet the demand of handicapped residents for low-cost, accessible service.

Appendix A

Milwaukee County User-Side Subsidy Program
Application Materials

DEPARTMENT OF PUBLIC WORKS
GERALD SCHWERM • Director
ROBERT BRANNAN • Deputy

Milwaukee County

PROFESSIONAL SERVICES DIVISION

Dear

Thank you for your interest in the Milwaukee County User-Side Subsidy Program. This program is intended to improve your mobility and allow you to travel in a more economical fashion.

Enclosed is a Certification Form which must be completed before an identification card can be issued to you. YOU DO NOT NEED TO GO TO YOUR DOCTOR OR SERVICE AGENCY IN ORDER TO BE CERTIFIED. You may send the Certification Form to your doctor or agency and have it returned directly to us, or you may indicate the name of your doctor or agency and the address next to your name and we will make the verification.

When the form has been completed, return it to us. An identification card and information on how to use the program will be sent to you.

Again, thank you for your interest, and should you have any questions regarding the program, please call me at 278-4091.

Very truly yours,

Thomas M. Knight

Thomas M. Knight
Special Transit Services
Coordinator

TMK/jf

Enclosures

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EX6

DEPARTMENT OF PUBLIC WORKS
GERALD SCHWERM • Director
ROBERT BRANNAN • Deputy

Milwaukee County

PROFESSIONAL SERVICES DIVISION

USER-SIDE SUBSIDY
CERTIFICATION FORM DIRECTIONS

This form is designed to register a participant in the User-Side Subsidy Program so that Milwaukee County can be accountable to the State of Wisconsin for the money expended in this program. If you have any difficulty in filling out the form, please contact:

Milwaukee County Department
Of Public Works
Courthouse Annex - Room 30
907 North 10th Street
Milwaukee, Wisconsin 53233

278-4091

and we will assist you.

SECTION A TO BE COMPLETED BY THE APPLICANT

This section is to give Milwaukee County the information necessary to issue an identification card to you so you can participate in the program.

PLEASE SIGN ON THE LINE MARKED "USER SIGNATURE".

SECTION B TO BE COMPLETED BY PHYSICIAN OR AGENCY PROFESSIONAL

This section is to be completed by your physician or an approved agency. PLEASE NOTE: You do not have to go to a physician or approved agency to be certified. IF YOU WANT, Milwaukee County will verify this information for you. If you wish to have Milwaukee County verify your condition, please indicate a physician or approved agency that is familiar with your condition.

SECTION C TO BE COMPLETED BY MILWAUKEE COUNTY

LEAVE BLANK - MILWAUKEE COUNTY USE ONLY.

COURTHOUSE ANNEX • 907 NORTH 10TH STREET • MILWAUKEE, WISCONSIN 53233

EX12

MILWAUKEE COUNTY TRANSIT SYSTEM
USER-SIDE SUBSIDY
CERTIFICATION FORM

SECTION A TO BE COMPLETED BY THE APPLICANT

Name (Please print or type) _____ City _____ State _____ Zip _____

Address _____ Telephone _____

Social Security Number _____ Date of Birth _____ Age _____

Do you have a Medicaid Card? Yes No _____
Expiration Date

I understand that the purpose of this certification form is to determine my eligibility for participation in the User-Side Subsidy Program, and therefore agree to release the information requested to the program administrators. I understand that the completed form will not be made available to any other person or agency. I also understand the program administrators reserve the right, at the program's expense, to have examined any person seeking participation in the program when and as often as it may reasonably require.

_____
User Signature

SECTION B TO BE COMPLETED BY PHYSICIAN OR AGENCY PROFESSIONAL

A. The above listed applicant has or will have a condition for a period of at least 3 months that requires the use of:

☐ A walker ☐ Crutches ☐ Wheelchair ☐ Legbraces (Long Leg)

If this condition is temporary, how long do you expect it to last _____?
No. of months

B. The above listed applicant is legally blind. His condition is defined as:

☐ Central visual acuity of 20/200 or less in the better eye with the use of a correcting lens.

☐ A limitation in the field of vision such that the widest diameter of the visual field is equal to or less than an angle of twenty degrees.

To the best of my knowledge, the information contained on this form is correct.

Physician's or Professional's Signature _____ Print or Type Name _____

Office Address _____ City _____ State _____ Zip _____

Date _____ Telephone _____

SECTION C TO BE COMPLETED BY PROGRAM ADMINISTRATORS

CERTIFICATION APPROVED CERTIFICATION NOT APPROVED

IDENTIFICATION NUMBER _____

EX4

MILWAUKEE COUNTY USER-SIDE
SUBISDY HARDSHIP APPLICATION

NAME:_____ U.S.S. I.D. No._____

ADDRESS:_____ TELEPHONE:_____

CITY:_____ ZIP CODE:_____

I hereby make application for hardship status in the Milwaukee County User-Side Subsidy Program. I understand that this designation applies only to medical, employment, or education trips. I understand that I am responsible for the payment to the carrier (taxi, van) of all costs beyond the maximum subsidy limit of $9.50 for wheelchair and $6.50 for others. I understand that I will be reimbursed through the User-Side Subsidy Program for costs over $10 incurred during designated two week periods for medical, employment, or education trips. I understand further that fraudulent usage of this benefit will result in disqualification from the Milwaukee County User-Side Subsidy Program.

_____ _____
User's Signature Date

EMPLOYMENT:

Employer:_____ Work Hours: From:_____To:_____

Address:_____ Full Time

Phone:_____ Part Time(describe)____

Supervisor's Name:_____ _____

Supervisor's Telephone:_____ _____

_____ _____
Supervisor's Signature Date

MEDICAL

List below doctors, dentists, optometrists, psychiatrists, psychologists, licensed therapists, and chiropractors, which you regularly visit.

NAME: ADDRESS:

_____ _____

_____ _____

_____ _____

_____ _____

EDUCATION:

School:_____ Semester: From:_____To_____

Address:_____ Advisor's

Name of Advisor_____ Telephone_____

Attach a copy of your Cashier's receipt for tuition or fees for the semester indicated above.

EX17

EX20

P L E A S E N O T E K E E P T H I S S H E E T

MILWAUKEE COUNTY
USER-SIDE SUBSIDY PROGRAM
GENERAL INFORMATION

The Milwaukee County User-Side Subsidy Program helps to pay the cost of the transportation for disabled residents of Milwaukee County in order to increase their mobility. A minimum cost of $1.50 is paid by the participant for all one-way trips. For persons confined to wheelchairs, the maximum subsidy paid by the program for a one-way trip is $9.50, and for all others, the maximum subsidy is $6.50. Any additional amount over the maximum subsidy limits must be paid by the user.

To be eligible, you must be a Milwaukee County resident who requires the use of a wheelchair, a walker, long leg brace, or crutches, or who is legally blind, for a period of at least three months, and whose condition is certified by a physician or approved agency. Residents who require the use of a cane or a quad cane are not eligible for the program. Trips which are paid for from other sources are not eligible, i.e., Title 19, DVR, VA, etc. There is an annual $5.00 application fee which must be paid in order to enroll.

Approved applicants will be sent an identification card which will have their name, ID number, and the expiration date on it. To make a trip, the user must contact the participating private carrier (taxi company, chair-car company) and make his/her travel arrangements according to the provider's regular operating procedures. When the vehicle arrives, the user presents his/her ID card and completes the trip information portion of the trip voucher. Upon arrival at the trip destinations, the user pays $1.50 plus any additional amount over the maximum subsidy to the driver. The driver completes the rest of the voucher, signs it, and has the user sign it. The user receives a copy, the vendor retains one copy and submits the original to Milwaukee County Department of Public Works for reimbursement.

The program has a hardship classification for persons who make medical, employment, and education trips which exceed the maximum subsidy limits. Under this classification, users are responsible for the first $10.00 of cost in excess of the maximum subsidy limits incurred during a two-week period. Costs beyond $10.00 are reimbursable through the program. Listed below are the reimbursement periods for the hardship classification:

61. 11/22/81 to 12/05/81	70. 3/28/82 to 4/10/82	79. 8/01/82 to 8/14/82
62. 12/06/81 to 12/19/81	71. 4/11/82 to 4/24/82	80. 8/15/82 to 8/28/82
63. 12/20/81 to 1/02/82	72. 4/25/82 to 5/08/82	81. 8/29/82 to 9/11/82
64. 1/03/82 to 1/16/82	73. 5/09/82 to 5/22/82	82. 9/12/82 to 9/25/82
65. 1/17/82 to 1/30/82	74. 5/23/82 to 6/05/82	83. 9/26/82 to 10/09/82
66. 1/31/82 to 2/13/82	75. 6/06/82 to 6/19/82	84. 10/10/82 to 10/23/82
67. 2/14/82 to 2/27/82	76. 6/20/82 to 7/03/82	85. 10/24/82 to 11/06/82
68. 2/28/82 to 3/13/82	77. 7/04/82 to 7/17/82	86. 11/07/82 to 11/20/82
69. 3/14/82 to 3/27/82	78. 7/18/82 to 7/31/82	87. 11/21/82 to 12/04/82

To apply for this program and/or hardship classification, contact the Special Transit Service Coordinator at:

Milwaukee County Department of Public Works
Professional Services Division
Courthouse Annex-Room 309
907 North 10th Street
Milwaukee, Wisconsin 53233

278-4091

12/1/81

Appendix B

Milwaukee County User-Side Subsidy Program
Registrant Notification Materials

DEPARTMENT OF PUBLIC WORKS
GERALD SCHWERM • Director
ROBERT BRANNAN • Deputy

Milwaukee County

SPECIAL TRANSIT SERVICES

Dear

We are happy to inform you that you are now eligible to participate in the Milwaukee County Transit System's User-Side Subsidy Program. You will find enclosed your identification card, which must be shown to the driver each time you take a trip, and a list of participating carriers.

The cost per trip varies among carriers. Generally, chair-car carriers are more expensive than taxi serivce. The various carriers offer different degrees of service. The chair-car carriers provide more assistance than the taxi-cab companies, while the taxicab companies may be expected to arrive on shorter notice.

The program will subsidize each one way trip up to the maximum limits of $9.50 for persons in wheelchairs and $6.50 for other eligible persons.

If you have any questions or comments on the program, please call us at 278-4091.

Very truly yours,

Thomas M. Knight

Thomas M. Knight
Special Servies Coordinator

Enclosures

TMK:ka

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EX16

DEPARTMENT OF PUBLIC WORKS
GERALD SCHWERM • Director
ROBERT BRANNAN • Deputy

Milwaukee County

PROFESSIONAL SERVICES DIVISION

USER-SIDE SUBSIDY PROGRAM
PARTICIPATING CARRIERS

Listed below are the private carriers who have agreed to participate in the User-Side Subsidy Program. There are some general rules that you must follow:

1. Each time you travel you MUST show your identification card to the driver and sign the voucher. A copy of the voucher is available for your convenience.

2. To make arrangements for travel, you must use the operating procedure of each company. The chair-car (vans) companies and taxis generally require 48 hours' notice. DON'T WAIT UNTIL YOU ARE READY TO GO TO NOTIFY THE CARRIER.

WHEN ARRANGING FOR TRANSPORTATION, CALL A CARRIER - NOT THE DEPARTMENT OF PUBLIC WORKS.

PARTICIPATING PRIVATE CARRIERS

Wheelchair Participants:

CARE CABS, INC.	- 476-1001	MEDA-CARE VANS, INC.	- 645-0111
MEDICAL TRANSPORTS CO.	- 258-9101	ADKINS TRANSPORTATION	- 445-7656

Collapsible Wheelchair and Other Participants:

CITY VETERANS CAB	- 933-2266	YELLOW CAB	- 271-1800
BREW CITY CAB	- 263-2739	ADKINS TRANSPORTATION	- 445-7656
METRO TAXI SYSTEM	- 647-8294		

COURTHOUSE ANNEX • 907 NORTH 10TH STREET • MILWAUKEE, WISCONSIN 53233

EX11

HOW TO USE THE USS PROGRAM

(Developed by the 504 Advisory Committee for the Milwaukee County Transit System)

DO'S -

- DO carry your card with you on all trips.
- DO tell the driver your trip purpose (shopping, social, employment) when you make your van reservations or get into a taxi.
- DO read over (or ask to have read) your voucher before signing.
- DO sign your Trip Voucher (receipt) OR watch the driver sign it for you. Make sure the trip purpose is checked and the full cost is written on the voucher.
- DO keep the receipt of the trip (pink copy).
- DO report any incorrect billing of your trips to Tom Knight - 278-4901 A complaint form is printed on the back of the pink copy.
- DO be ready for your ride - wait at the curb if possible.
- DO call immediately when you must cancel a trip you have scheduled.
- DO help stretch the USS dollars any way you know how! Use a taxi if you can -- it's less expensive than a van.
- DO use the complaint form.

DON'TS -

- DON'T charge a trip to USS if it is for medical reasons and you have Title XIX/Medicaid, or if it's for education or job training and you are under D.V.R.
- DON'T use the more expensive wheelchair van companies if/when you can transfer into a taxi.
- DON'T use a van or taxi if/when you can take a county bus
- DON'T travel long distances unnecessarily (i.e. going to Northridge when you live near Southridge.)
- DON'T wait until the driver arrives to tell him you have canceled your trip.
- DON'T abuse the system by eating up USS dollars in a wasteful manner.

The future of this program and the quality of it is YOUR RESPONSIBILITY! Every trip you charge to USS which should be charged to DVR or Title XIX means one less trip for someone who needs it.

JSL/dir
12/23/81

EX9

MILWAUKEE COUNTY

USER-SIDE SUBSIDY

ANNUAL REGISTRATION FORM

Name	City	State	Zip Code

Address	Telephone

Social Security Number	Date of Birth	Age

Present User-Side Subsidy Identification Number

Please enclose the annual registration fee of $5.00. A new User-Side Subsidy Identification Card will be sent by return mail.

APPENDIX C

REPORT OF NEW TECHNOLOGY

The work performed under this contract, while leading to no new invention, has provided information and insights concerning the practical application of user-side subsidies in public transportation. This information will facilitate future applications of user-side subsidies, and should contribute to an improvement in the overall cost-effectiveness of future public transportation expenditures by illustrating in part the merits and impacts of this innovative service concept.

300 copies

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Form DOT F 1
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